PART IX.

[6th to 14th MAY 1830.]

MINUTES OF EVIDENCE

TAKEN BEFORE

THE SELECT COMMITTEE

OF

THE HOUSE OF LORDS,

APPOINTED TO ENQUIRE INTO

THE PRESENT STATE OF THE AFFAIRS

OF

THE EAST-INDIA COMPANY,

AND INTO THE

TRADE BETWEEN GREAT BRITAIN, THE EAST-INDIES, AND CHINA,

AND TO REPORT TO THE HOUSE.

LONDON:

PRINTED FOR PARBURY, ALLEN, AND CO., LEADENHALL STREET, AND J. M. RICHARDSON, CORNHILL.

1830.

LONDON
Printed by J. L. Cox, Great Queen Street.

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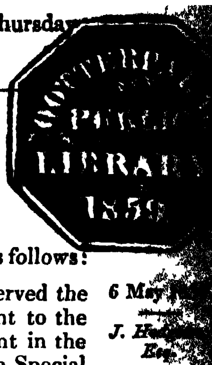
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Die Martis, 4° *Maii* 1830.

The LORD PRESIDENT in the Chair.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.



Die Jovis, 6° *Maii* 1830.

The LORD PRESIDENT in the Chair.

JOHN HODGSON, Esq. is called in, and examined as follows:

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3597. WHAT situation did you fill in India?—I served the Company for seven-and-twenty years. I was Assistant to the Collector of Land Revenue; Secretary to Government in the Revenue and Judicial Departments; Secretary to the Special Commission for settling the Land Revenue permanently; a Member of the Board of Revenue from the year 1803 to the year 1809 inclusive, with the exception of a furlough of three years to England; a Member of the Council of the Government at Madras for one year; and should have been in the Commission of Government with Sir Thomas Munro had I been able from the state of my health to have remained.

3598. Will you state whether any improvements were effected in the judicial administration of the East-India Company during the period of your residence in India, and what they were?—Certainly; very great. When I first entered the service, there was no judicial administration whatever legally provided for in any shape under the presidency of Madras. The Northern Circars, the oldest territory of the East-India Company, ceded in 1765, the jaghire lands forming a part of the Carnatic ceded to the Company in 1765, were administered by local officers in the Northern Circars—by chief and council. The administration of justice by them was confined exclusively, I may say, to the towns and factories within which they were placed. Of criminal jurisdiction there was none. There was no law providing for the infliction of the penalty of death or any other penalty. The land revenue was collected through the agency of Zemindars, of whom there are a great many, hereditary and others, and if not through them, by means of public contractors. The settlements with them were either annually or periodically. The chiefs in council had very little authority in their districts;

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and of course every Zemindar could interfere in the direct administration of justice. If they, the chiefs and councils, did interfere, balances very frequently accrued, which were attributed to that interference as the cause. There is no registry whatever that I am aware of in any of the records of the government, either of the local chiefs in council or those succeeding them when they were broken up in 1794, and the records sent to the presidency, of any recorded trials or appeals, or any thing that then came under the shape of a judicial proceeding. Cases of disputes respecting the succession to those zemindarries were certainly inquired into by those local chiefs in council, but the ultimate decision generally rested with the Governor in Council at Madras. On the report of the proceedings of those local officers in the Carnatic,—the Circar lands which were ceded to the Company, which formed part of the Carnatic—the country was rented out to one large proprietor, who was supposed to be an agent of the Nabob who had ceded those provinces to the Company. This contract existed till the year 1781, when Hyder invaded and desolated the whole of the Carnatic, including the jaghire. After the peace made with Tippoo, in that year, 1784, during Lord Macartney's government, the whole of the revenue of the jaghire was rented out in contract to large contractors, by Pergunnahs, which are divisions of many villages; the contractors being to the number of ten. After a short time superintendants were appointed over these contractors. The lease was for ten years, on a progressive demand to meet the supposed gradual restoration of the country. During the period of those contracts European superintendents were appointed to see that justice was done to the ryots, who were the payers of the land revenue. They inquired into civil questions, and certainly decided summarily in matters of civil complaint, and perhaps in criminal matters on a small scale; but they had no specific rules for their guidance, and were left much to their discretion in all judicial questions of whatever nature, civil or criminal. This may be said to have been the state of things till the year 1802, in all the factories and other dependencies of the Company on the Madras establishment. In 1802, Regulations were framed upon the principle of those in Bengal, and courts of justice were established first in those districts in which a permanent settlement of the land revenue had been made; subsequently, in the year 1806, they were extended; generally, criminal courts were established, I should say, in 1802; generally, those continued upon the same principle till the year 1816. In the year 1816, a departure so far from the previous leading principles that had been adopted was made, in separating the office of magistrate from that of the Judge, and adding it to that of the Collector; in taking the police from under the magistrate, and placing that also under the Collector, as magistrate, with the aid of his native officers; in the exten-

sion of native Judges—commissioners appointed under the old principle, by giving them a fixed salary, which they had not before, and in extending their jurisdiction and increasing their number. The number of the zillah, or district courts, were also decreased in 1816. And, as far as regards the Company's territories, those are the principal alterations I at present recollect.

3599. In the absence of positive law, which you have described, previous to the year 1802, were no punishments inflicted for criminal offences?—Confinement in several instances occurred in the district in which I was myself in charge as Collector, and previous to that as Assistant, (when the whole civil and criminal business fell on me, together with the other duties,) in instances of a man stabbing another, an atrocious murder,—he remained in confinement for a long period of years without the means of bringing him to trial; also a great number of gang-robberies. I recollect money going down for investment being plundered; the offenders were supposed to have been detected, but the only thing that could be done was to keep them in confinement. Those that remained in confinement were acquitted, on the courts being appointed, for want of evidence.

3600. No capital punishments were inflicted by any authority for the greatest offences?—No; there was none beyond the jurisdiction of the King's courts.

3601. Can you state the ground which led to the alteration, in the year 1816, by which the authority of the magistrate was transferred to the Collector?—I should consider it to have arisen chiefly from revenue arrangements. It is necessary to explain, that under the presidency of Madras there was originally but one mode of revenue settlement. This existed under the orders of the government at home for a long period of years, as far as the records can be traced, from 1600 down to probably 1792. The only means by which the land revenue was collected was through the agency of Zemindars, or public competition by contractors; there was no direct agency with the immediate payers of the soil. In the year 1792 a cession of territory was obtained from Tippoo Sultan, after the fall of Seringapatam, in that province which is above the eastern Ghauts of the peninsula, and what is described in revenue language a dry grain country. Colonel Read, and three military assistants, were appointed to the charge of them. The first settlement was made in that province by villages. It was afterwards abandoned by Colonel Read; and under his suggestion and recommendation, what is called the ryotwar system was adopted. The ryotwar system means, that the revenue shall be collected direct by the officers in the pay of government from the actual cultivators of the land; that the payment of revenue shall in all cases be in money; that it shall be fixed on each

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field, and not vary with the produce of that field. Now the former practice had been, in many instances, to collect the revenue in kind from irrigated lands—artificially irrigated lands; an invariable money rate from lands cultivated by the rains. In this province the sole judicial revenue and police administration, such as their existed, was under the entire controul of Colonel Read and his assistants. When the Carnatic was ceded to the Company in 1801, and the ceded district obtained from the Nizam in 1800, it came under the consideration of the Madras government, and under the recommendation, I may say, of Colonel Sir Thomas Munro, whether it would not be expedient to introduce the ryotwar system of assessment and collection into every province not under zemindarry agency. This course was adopted; and instructions were issued for carrying the ryotwar plan of assessment and collection into execution throughout the whole of the Carnatic. Its progress was going on, under Sir Thomas Munro, in the ceded districts obtained from the Nizam; and was finally completed there before he quitted the country. In 1807, the perusal of Sir Thomas Munro's Reports in England, and the wishes of the Court of Directors and local authorities in England, led to an anxious desire that this arrangement should be made general, and should be perpetuated. Sir Thomas Munro was consulted here upon the subject, and many other of the servants of the Company, civil and military; and orders were sent out between the years 1813 and 1816 for carrying this plan into effect; and it was considered necessary, for the due accomplishment of this, that all the authority in the ryotwarry district should be vested in the head of the revenue department, as well to secure the successful accomplishment of this plan, as, in the opinion, I believe, of Sir Thomas Munro, for the better government of them. The orders were hardly discretionary; as far as regarded the local government, they may have been almost said to have been positive; they were not the result of any communication from the local government, but were adopted from the views of the government at home, formed from all that was on record, and all the information they had been able to obtain.

3602. Under that arrangement, was the revenue collector armed with authority as a magistrate sufficient to enable him to compel the collection of any sums he required, without any appeal to the judicial authority?—With reference to that question, it is necessary to explain that the land revenue throughout all India is a certain portion of the produce of all land cultivated according to rates established by local customs and usage; those rates vary, both in kind and in money; in fact the irrigation under which the country is cultivated is so different in the south-west monsoons and the south-east, that there is a much greater certainty in the cultivation under one monsoon than in the other. The south and south-east provinces of Bengal may be said to

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derive their fertility from floods, and the works of irrigation there are to keep out water. In the whole of the Peninsula, taking it from the northern to the southern extremity, the most fertile of our lands are irrigated by means of the rivers which take their rise above the Ghauts, and are filled by the rains of the south-west monsoon; the other parts of the coast are not watered by those large rivers. I believe there are not more than three: the Mohanuddi, the Godaveray, the Kistna, the Palar, the Cauveri, and the Tambara Purney. The surplus of water by those rivers rarely fails. The rest of the country is irrigated by means of large reservoirs called tanks; and there are many of great size; the banks of some are three, four, and five miles long, containing an area of great extent. Those are supplied either by cuts from rivers, or the rains collected from the higher grounds; the supply is precarious, comparatively with the other above the Ghauts. Under the south-west monsoon the rains are more abundant and of longer continuance; there is comparatively very little irrigation; the fertile provinces of Malabar and Canara are not irrigated provinces. Under this state of fluctuation in the means of irrigation, and consequent fluctuations in the produce, a different mode of settlement had been the practice known by those who rented out the revenue in large contracts below the Ghauts, from what was the practice above. When it became necessary to survey and assess each field, extensive powers were considered to be necessary to enable the Collectors to get through with this work, and so far the authority of the Magistrate being added to that of Collector enabled him to overcome all resistance with greater facility. I should however explain, that during the time that the first ryotwar surveys were made, no courts of justice existed, and that therefore there was no appeal from the authority of the Collector in any of those measures, for commuting the payments in kind for payments in money, or changing the variable rate of money assessment to a fixed money assessment, except such as could be made to the Board of Revenue, or to the Governor in Council; and that under the practices and customary authority of the revenue officers under the native government, the powers of the Collectors were certainly extensive. But if the office of Magistrate had been continued under the Judges, and an appeal allowed to the Judge from the revenue authority, in cases of dispute respecting the amount of the taxation, it is perhaps not easy to say whether the work would have been accomplished with the same facility or not.

3603. Do you conceive, in point of fact, that the combination of authority you have described in the Collector has not been attended with abuse or oppression?—The case may be stated thus: that the Collector in charge of the ryotwarry provinces has a large body of native servants under his controul; sometimes from 2,500 to 3,000 of different grades; in those cases the difficulty is rather in controuling those native officers than pro-

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bably in preventing oppression on his own part, for I am bound to say that in almost all cases Collectors have shewn the greatest disposition of forbearance; but it is difficult on many occasions to resist the communications and recommendations of the native local officers, as well as to prevent their abuse of authority in the several departments intrusted to their charge, for a native officer of revenue is now not only an assessor, but he is a collector of the portion of the revenue over which he presides; he is Superintendent of the Police; he is Magistrate in cases of minor offences; he is empowered to inflict criminal punishment to the extent, I believe, of six rattans in small cases of petty theft, without being required to record evidence, or without the case being appealable to the Judge of Circuit; he is also of necessity purveyor of provisions for the troops marching through the district; and he executes the Collector's orders in every branch of the business intrusted to him. Numerous instances have occurred during the period I was in office of great abuses committed by those native servants in a great number of collectorships, and many Collectors have not been successful in all cases in restraining those abuses. It was this that led to that great difference of opinion which exists on the best mode of collecting the land revenue of India; the one party advocating that the employment of native stipendiary servants to a great extent all over the country has an advantage; while the other party equally contend, on the other side, that it is a system that is only calculated for the acquisition of revenue knowledge in the first instance, and ought not to be continued as a permanent measure of a wise and benevolent government.

3604. Do you conceive, then, the authority of magistrate to be chiefly necessary to the Collector for the purpose of controuling his own servants?—No; the authority of magistrate was added to that of collector, for the purpose of confining all authority to the revenue department in every branch; and not only with a view to prevent any clashing of authority between the Collector and the Judge as magistrate, but also, in the opinion of some, as a better measure of government than having a separate police and separate native Collectors in the same district.

3605. To what extent did the power of the Magistrate so vested in the Collector extend, without appeal, in the way of punishment?—I am not quite certain that I can answer that question. It is ten years since I quitted India, and those Regulations have undergone great change since that time. It extended only to corporal punishments, and confinement to a moderate extent, and to commitments for trial, according to circumstances, with certain cases open to the Judge of Circuit or the Criminal Judge; there is a Criminal Judge, though he is not a magistrate, to whom there is an appeal in certain cases. All felonies, except what a magistrate as a police officer may be considered as entitled to try, are tried by the Court of Circuit.

3606. Can you state whether the authority of the Collector as magistrate extended to fine and imprisonment?—To fine and corporal punishment, under the European Magistrate's Regulations.

3607. During the period of your observations, were punishments to that extent extensively inflicted by the Collectors in the exercise of that authority?—I have no means of answering that question. I quitted India in the beginning of the year 1820, and the Regulation was issued only the latter end of 1816, so that it had not any great operation at the time I came away; and I do not recollect that it came under my observation, not being in the judicial department at that time.

3608. Are you able, from your observation there, or the knowledge you have acquired since, to state what have been the effects, beneficial or otherwise, of the adoption of the ryotwarry system upon the revenue, upon the condition of the natives, and the improvement of the soil?—As I have already explained, the ryotwarry system first commenced to be carried into effect in the year 1801 extensively; for the first ryotwarry assessment the surveys that were made were certainly conducted in a very imperfect manner, and it is much to be feared that in their results they were excessively oppressive. I have already stated that there was no appeal, except to the Board of Revenue or the Governor in Council, from the proceedings of the Collectors, in conducting those surveys; the consequence was, that they were conducted upon different principles in almost every province, and in their results were generally exceedingly high; that is, that the assessment was much heavier than the people could afford to pay. It did not leave those who had, under the native government, for a long period of years, been in the habit of rendering the dues of government in kind, to continue that practice; it did not permit those who had paid a variable money rate, arising out of circumstances of climate and of soil, to continue that variable rate; it compelled them to accept the terms of commutation offered by the Collector. It is true, that at a subsequent period considerable modifications and reductions have taken place in most of the ryotwarry provinces; but much remains to be done in order to effect the original object of the ryotwar assessment, which has been declared by the Government, by the Board of Revenue, and by the Collectors, to be in theory a moderate assessment on each field, to be paid in money under all circumstances, with whatever it may be cultivated. The former theory of the ryotwar was to leave the people to cultivate as little land as suited their convenience; to convert the field that then was without the means of irrigation, by digging a well, into a garden; to raise a superior produce of sugar, tobacco, or any other article, as it might suit their purpose, on the fields that had this fixed money

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rent. The practice has unfortunately differed from this; it was found that the rates were so variable and so unequal, that it became necessary for the cultivators to abandon very often good land, on account of the high rate of assessment upon it, and to take to inferior soils. This took place in the province of Dindigul to a very great extent indeed, and has more or less been the case in almost every ryotwar province; so that it became necessary, to meet the reductions of revenue that would result from this abandonment of land, to compel the ryots to take a certain quantity of what was considered good and what was considered bad land, in their engagements for their annual cultivation. This is of course an arrangement that they would not have consented to had there been a third party appointed to decide the case between them, or had not the authority of the Collector been considered such as it was useless to resist. In one small province of Letwaid, part of the Carnatic, the ryotwarry may be said to have been established on correct principles; it yielded six—from six to seven hundred pounds annually. It was a small district attached to a collectorate under the permanent settlement. He had much time and leisure to bestow upon it. The reduction of one-fourth he made was a sum that attracted very little notice. He proceeded also upon the principle of making a large deduction for the expences of cultivation, so that when the assessment was concluded the government tax was only two-fifths, the ryots were left with three-fifths of the gross produce: but unless the price of produce had been taken at a very moderate valuation, even this deduction in favour of the ryots might not have been probably beneficial, but the result of the whole has been certainly most satisfactory. I was in that province on a tour of pleasure in 1817; and, adverse as I had in general been to the ryotwar system, I have every reason to say that in this province at least it has tended exceedingly to promote the welfare of the ryots; and if there are no great fluctuations in price, which I very much fear there will be, it will also tend to increase the revenue of government. In Canara, which was originally acquired in 1799, after the fall of Seringapatam, the revenue had been paid time immemorial by proprietors of land holding their estates upon quite a different principle to that which existed in other parts of India, inasmuch as each man has his separate farm; he has his rice lands, his pepper vines, his garden land, and others, in one contiguous farm; and although that country is not irrigated, yet the abundant rains of the south-west monsoon render the produce much more certain than elsewhere; they have also had a very abundant export market in that province, which has now been in our possession very nearly thirty years. There has been no very considerable increase of revenue, that I am aware of; on the contrary, at one time it was decreasing. It was Sir Thomas Munro's opinion that the land revenue of that

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province ought to have been reduced lower than he ever reduced it; unfortunately, the necessities of the government, which periodically occur, have prevented these reductions taking place. Up to this time, the export is pretty nearly the same, but the price has considerably fallen. There has been, I apprehend, an increased difficulty in collecting the land revenue of this province, though it may be considered the most moderately assessed of any under the Madras presidency. The export trade of rice to Arabia and foreign ports has unfortunately been prevented in seasons of home scarcity. I should explain, there is no manufacturing population in Canara; it is chiefly agricultural; but occasionally, when troops are stationed there or in the neighbourhood, there have been complaints of prices rising, when exports have been carried to an extent to raise the home price; the consequence has been, in my humble opinion, an unfortunate tampering with the trade, so that the cultivators there have at one time been deprived of the advantages of high price, and subjected to the loss of low price; and a danger may arise, if this practice continues, of inducing the merchants to go to Bengal and other ports in search of grain: The land assessment of Canara, being in money, will require to be reduced. It does not necessarily follow, that to perform all the ryotwarry assessments and surveys well, that those extensive powers should be held by Collectors, or that there should be no appeal from their proceedings; on the contrary, it is more than probable that great advantages would result from placing the Collectors and their native officers under certain controul in their assessments, and giving the people invitation and opportunity to apply to a third party to settle disputes between them. Under this impression, the Board of Revenue at Madras prepared in 1818, just before I quitted that Board, a Regulation for a ryotwarry assessment and collection in every province, and the utmost pains were taken to render it perfect, by submitting it to Sir Thomas Munro, to all the Collectors who were advocates for the ryotwarry system or had been instrumental in conducting it; and the rules were intended to be enacted in the mode and manner prescribed by Act of Parliament. Sir Thomas Munro's written opinion to the government of Fort St. George was, that it would be better to send this Regulation as instructions to the Collector rather than as law, and that recommendation was followed, for I am not aware that to this day any law has been passed for the guidance of Collectors, in assessing and collecting under the ryotwar plan. The errors of the ryotwarry, therefore, I beg to explain, are not a necessary consequence of that system. It may be done well, provided the local circumstances admit of it; but there is a great difference of opinion, whether all districts under the government of Fort St. George, so variously situated as to climate and to water, are equally adapted for the introduction of this system.

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3609. You are of opinion, then, that a great part of the evil of the ryotwarry settlement has arisen from the unequal and oppressive estimate of the value of land which formed the basis upon which it was introduced?—Most unquestionably. The anxious desire of the officers of revenue to keep up the revenue, at the beginning, necessarily led to a heavy assessment in the end. Sir Thomas Munro's plan, the most moderate of all, was to take the average of past collections, and to divide it upon districts, and then on villages, leaving the villages to assess their own fields, the Collector revising the entire of the assessment. I wish to explain, that in the province where ryotwar was first attempted, where there was one European Superintendent and three Assistants, they being, at that time, men of mature age—for Sir Thomas Munro, when he entered on that service, was at the age of thirty—the assessment of the three subdivisions varied in the degree of three and a half per cent. above the past collections; in one, twenty-nine and a half; in another, thirty-six and a half; the most moderate, it is due to Sir Thomas Munro to say, was in his division. The rates were not revised till the district was sold under the permanent settlement. The purchaser of those estates had, it is understood, as well from necessity as policy, reduced those rates in the largest proportion of the provinces over assessed.

3610. Supposing it to be practicable, from experience, to arrive at a just estimate of the average value of the land, do you still think there are districts to which, from the circumstances of the seasons, a ryotwarry settlement would not be usefully applicable?—One great objection to the ryotwarry plan arises from the interference with village concerns, and the separation of the joint interests of the ryots; that interest is materially connected with the means of irrigation. The land is not so much the question of interest as the water, for without it, in the south-east monsoon, land would be of very little value; of course, in each village the land that is nearest the works of irrigation is the most productive. If a large reservoir is only three-quarters full one year, or half another, it still will bring to maturity the crops immediately under its bank. Those lands, therefore, instead of being the property of any one person in the village community, are the joint property of the whole community; the occupation of them is assigued to the community, either annually, or at periods of three or four years, and is settled by lots amongst themselves; so that a portion of that which is not liable to drought, and that which is less liable to drought, and that which never fails, is allotted to each class of cultivators, in proportion to his general interest in the village. In all the cases in which I was personally employed, no such thing as ryotwar had ever been heard of or applied for. I was present at the making of a three-years' village lease in the jaghire lands alluded to before; and I have made village settle-

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ments myself upon the produce of two years; the first being a year of comparative drought, and the other a year of short produce. In that year a tank five miles long and fifteen miles in circumference, watering nominally fifty villages, but say thirty villages, was completely dry, and the bed of it sown with Indian corn. I know another instance where the lands of another village produced in the proportion of seventy-four in one year to two thousand five hundred in the next. Under these great fluctuations, and under the works that are to be performed in common for preserving the sources of irrigation and the means of irrigation in repair, it seems extremely difficult to understand how the ryotwarry assessment on the field of the individual, the collection of it from each cultivator, can be either acceptable or beneficial to a village community so situate. In the districts above the Ghauts, to shew how distinct the nature of the cultivation is, the hamlets attached to villages are quadrupled and quintupled the number they are below the Ghauts, shewing that the inhabitants separate themselves upon land that is not irrigated, and carry on their cultivation, as may naturally be supposed, separate and distinct. Any person who can procure a plough, or borrow one, can, above the Ghauts, under the superior abundance of the south-west monsoon rains, cultivate a few acres of land; but such is not the case below the Ghauts. And it is very rarely that the government have succeeded in obtaining persons whom they have been desirous of pensioning; for instance, the Nabob's army, when it was dismissed, the whole of them were offered waste land to cultivate, on what may be said to be their own terms; but I know not a single instance where the offer was accepted. I merely mean to shew by this that the nature of cultivation above and below the Ghauts is quite distinct, even in its effects on the return to the cultivator; and that therefore, though the ryotwarry may be exceedingly applicable, and probably beneficial, in districts above the Ghauts, it may be very doubtful whether it is adapted to provinces below the Ghauts; indeed, so much so, that I believe in the province of Tanjore, one of the most fertile under the Madras government, and most productive possessed by landed proprietors, to use that term as far as regards the ryots, who have a very valuable property in the land, and who have been always able to secure the benefit of it—the attempt at ryotwar has been abandoned, and the village leases, triennial or quinquennial, have been substituted; but I am bound to say, that in the northern division of Arcot, also a part of the Carnatic, and in the southern division, the ryotwarry has been attempted, and local surveys, conducted in the manner I have described, have been reduced by subsequent collectors; and it is understood, that even in the irrigated villages in those districts ryotwarry is considered by the gentlemen who made those reductions, and had the conduct of the re-

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venue affairs of that province, to be as well adapted to that province as any other; so that upon this subject there still exists a very great difference of opinion.

3611. What are the advantages of the zemindarry system, as compared with the ryotwar, as applicable to any particular district?—When the Company first acquired territory, they found an intermediate agency existed every where. Wherever territory has been acquired by conquest or by cession, at a later period, that agency has also existed; the agency has in many cases been permanent, in others only temporary. In all the provinces acquired in Malwa, it is stated that the revenue was collected by intermediate agents, under the denomination of Jaghiredars, or of renters, as they are called, farmers of the revenue, many of whom have continued for a long period of years under the native government to hold the land revenue. There is, as far as I have been able to trace, from investigation and from inquiry, no evidence whatever of either the Hindoo or Mohamedan government having collected the land revenue by ryotwarry, that is, by means of their own stipendiary officers. I have already stated, that in the Madras provinces ryotwar was not practised till the acquisition of territory in 1799; that in the Northern Circars, a territory yielding from twenty-five to thirty lacs of pagodas, it had been the uniform practice to make engagements with the Zemindars; it became necessary, therefore, to consider whether it was expedient to remove those parties for any better system, or to continue them in possession. Few persons doubted the expediency of making a permanent system, which might supersede the periodical annual settlements which had been made with them. Upon that point there appears to have been very little doubt. But when it became a question whether those zemindarries should be sold for arrears, and those came into possession of a third party not originally Zemindars, the principle came under discussion whether it would not be equally advisable to extend this mode of settlement to other territories, and to create Zemindars where they did not exist, that is to say, to place a landed interest between the government and the proprietor of the soil; for admitting that the ryots had the best right to be called proprietors, and that it was perhaps an error to call the Zemindar proprietor, yet still we had abundant evidence that there is a beneficial interest belonging to both parties. We had numerous applications; and numerous grants have been made to civil, military, and commercial native officers in every department of the government; and one, two, three, and more villages were granted as a reward for meritorious services. It is evident, therefore, that it is a property which natives covet, and which they are extremely desirous to possess. Those grants have been made without any other stipulation in favour of the ryots than that the grantees should deal justly towards them, previously to the courts of

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justice being established, and by placing them under the courts since the courts have been established. In the province in which I resided so many years, there were at least three hundred villages of this description. I have every reason to say, that they were as well administered in their revenue capacity as those under the European Collectors; and I might add, that the ryots in those villages have been less harrassed by the changes which have taken place under European management than in the villages which have continued under the European Collectors and Superintendents. They have continued to pay their revenue in kind or in money, according to local circumstances, to those created Zemindars. In principle, there can be no distinction whether one village is placed under a zemindar, or ten, thirty, or an hundred, are placed under another. It is therefore unjust to one village to place them in that situation, or it is not unjust to place the whole. In this province of the jaghire, there being no Zemindars, except in the instance of three hundred villages I have named, the district was divided into small estates, consisting of ten, twenty, thirty, or according to the number of villages. The rights of government in those small estates were declared to be transferable to parties who were to become purchasers; the estates were put up to sale; I was present at the sale; I was not in authority at the time; I went there as a visitor; and I saw great competition, and an anxious desire was shewn to become possessed of this landed superiority, and much competition was excited. A large body of ryots were present, with great numbers of whom I had, from long residence in the country, been acquainted. I have not the least recollection of there being the slightest complaint of the government doing an act of injustice by transferring them to the authority of a third party; or that they expected to suffer more injustice from them, or less justice from them, than they had received from the European authority. Unfortunately, the assessment, as in every other attempt which had been made at Madras, was too high. Most of those purchasers failed to perform their contract, and many of the villages have come back into the possession of the government. The advantage, therefore, in this case, was the withdrawing the European Collectors from all direct interference with the cultivators of the soil; placing them under persons of their own habits and customs, capable of listening to their complaints, and of redressing them, it being their interest so to do; and introducing that system which had been in general practice throughout India, in the advantages of a third party, a Judge, to decide between them; and the Collector, if necessary, to add weight to the decision, being no longer the creator or assessor of the revenue; and permitting the management to be conducted according to the mutual interest of the parties, declaring that the purchaser had no right to levy any extra [illegible] of demand, or any addition to

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existing rates. Of course, under this management, native servants were to be employed, as well as under European Collectors, particularly if any of the estates are extensive; but the controul of the native servants would be under the superintendance of a native accustomed to their habits, knowing their practices; and in small estates it enabled the parties to employ their own relatives in the collection of the revenue; it permitted commercial men, natives as well as Europeans, to negociate with such intermediate persons for the introduction of any other culture than that of edible grain; it permitted all parties who might possess money, whether acquired by trade or any other means, or even native servants who might have obtained money by improper practices, to invest money in those landed superiorities. Those were considered advantages which counterbalanced any of the evils which were supposed to arise out of the question. The evils are certainly not few, but they have arisen in a greater measure from the errors which have arisen in the making of settlements than in the principle itself; and it has happened in every one, whether permanent grants to the zemindar, or village leases, or ryotwar, one circumstance has pervaded them all—they have all failed upon that ground chiefly. The great question is, which is best calculated to effect the object of good government. The evils of over-assessment have led to much public correspondence, arising out of the sale and sequestration; the estates are liable to be subdivided for the liquidation of private debt under decrees of courts of justice, and certain other causes incidental to the management of them when they come under the hands of the Collector, or when the Collector sold under the then existing settlement. It was the principle of a permanent settlement with the Zemindars to take two-thirds of the gross collections in money of the previous year as a standard; but it was not permitted to the Zemindars to point out how injuriously that might affect their interests as far as regarded the change in local circumstances, and so forth; there was no third party appointed as a referee. The evils that have arisen under the permanent settlement may be obviated, should that be a system which is declared to be the best to be adopted, hereafter. Other objections are made to it, as closing the door to the attainment of revenue information, leaving the Collectors in the dark when they have any duty to perform, or in respect of any estate or zemindarry that may fall into their hands. This is certainly true, but it does not necessarily follow that it should be so, for there cannot be the least difficulty in carrying on surveys under the zemindarry settlement as well as any other. No objection would be made by a Zemindar to a survey being made of his territory, or it might be provided for in the first instance; all that he would object to would be, that you should not interfere with him in the assessment of his ryots, or the alteration of the demand government had made upon him. The

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abandonment of the permanent settlement being resolved on—positive orders exist that it should no longer be attempted—it is not perhaps of great importance to say more upon the subject. I wish to add, that the zemindarry system is supposed to be preferable in lands that are liable to great fluctuations, from the money contract being upon a greater scale, and in most cases supposed to be made, or at any rate able to be made, with persons of capital, which no ryot, either under the ryotwar or a village lease, can possibly possess. It also enables the individual to controul circumstances of remission, in cases of drought, with much greater success than the European officers can; and it must be evident that any contract in money, with whomsoever made, must be liable, more or less, to the circumstances of season and of drought to a great extent; and though under the permanent settlement it was not intended that remission should be granted, except in very peculiar circumstances, yet, as far as regards the cultivators themselves, it would be absolutely necessary that those remissions should be annual or periodical, to a certain extent, in almost every province. It was also thought that the works of irrigation would be better looked after, and better managed, under individuals, whose interest was so materially connected with them, than under the officers of government; that the abuses which had been practised in carrying those repairs into execution, with the frauds committed in the advances of money to aid cultivation, where they had been made to poor ryots, would be rendered unnecessary on the part of government; at least that the frauds and embezzlements in repairs to which government had been subjected while carrying them on under the controul of their own officers would also be prevented. For these and many other reasons, following up the principles laid down by the Bengal government and the Court of Directors and authorities in England, at one time it was considered desirable to extend this system generally. It has its evils—it has its good.

3612. Have the Zemindars been in general found possessed of sufficient capital to do justice to the advantages of the zemindarry system, as affording the means of meeting the changes arising from the inclemency of the seasons?—Zemindars, in the old territories of Madras, must be taken in the light of princes; they were rajahs; they were brought up in all the pomp and ceremony of a petty court; they were certainly not the best calculated for a good revenue administration, but they were not fit for any other administration; and, after all, it was necessary to continue them. Where the estates were settled, or where the Zemindars were created, those who bought them, or had them conferred upon them, knew perfectly well what they undertook, and were perfectly competent to the management of them; so far then—I do not mean to say that the Zemindars hereditary and Zemindars by purchase have not

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occasionally been guilty of oppression, or that they have not occasionally mismanaged their districts, but I mean to say that, generally speaking, when people have understood their own interests, they have in general followed that course of measures which was likely to promote it. I can only speak from hearsay; but with all the errors of the Bengal system, I believe the southern provinces, so far as I have been able to learn, are in a flourishing condition, far superior to any of the territory under the Madras government, both as regards the produce and the internal commerce and export of the produce of the soil. So far as regards the Northern Circars, the success, with reference to the revenue, the tranquillity, reduction of the troops, and the power of collectorial interference with ryots, has been eminently successful; and in progress of time, when a better educated race of men rise to the management of their patrimonial estates, I look forward to very satisfactory results. In three large western zemindarries, settled in 1802, there has been, so far as I have been able to learn, no default of payment whatever, nor any vexatious interference with the internal management of the country, nor any complaints made, more loud or unusual than in other parts, of oppression on the part of those great western Zemindars.

3613. Can you state whether the respective merits of the different revenue settlements are the subject of frequent consideration among the natives themselves, and whether the more intelligent give a preference, with reference to their own condition, and the improvement of their property?—One of the great difficulties which attend a just consideration of these important questions arises out of the little communication which had been had with the natives on the subject. They were not asked whether they liked ryotwar, and certainly were not asked whether they liked Zemindars better, or a village lease, except in the case of Tanjore; there the Committee, of which I was one, did apply to the natives, to know whether they would prefer village lease to ryotwar, and they gave the preference to village lease. In those cases where I have had personal communication with them, I have reason to know that in all irrigated lands they would prefer paying the revenue they owed according to the Hindoo practice. I also know that great difficulties did oppose the introduction of payment in grain or payment in kind in those provinces where ryotwar was first attempted, such as the countries ceded by Tippoo in 1799, and the Nizam in 1800; but those difficulties were of course removed by the Collector not permitting any other course of assessment to prevail. I believe that in all cases where it has been optional with the parties, they have uniformly preferred the payment in kind to the payment in money; but I am bound to explain that this objection probably has been chiefly founded upon the high rate of demand in money, rather than a reluc-

tance to pay in money. It is not improbable the money payment might be so much reduced as to make it acceptable to all classes. The question then would be narrowed into, whether it should be an assessment individually, or whether it should be by villages collectively; and if it were left optional also, and left to the consideration of the natives, the question would be still further simplified; and we should proceed, leaving it entirely optional, for that would be the true ground of assessment —entirely optional with the parties to accept the terms proposed to them, or on their refusal to pay, collecting agreeably to the previously established rates. Were such a course pursued, we should be sure we were not doing an act of injustice. When the terms were accepted, it would then only resolve itself into the practicability of the payment in kind enduring with any sort of justice under the great fluctuations of produce, the great diminutions of commercial capital, and other causes, which have reduced the value of produce under the Madras presidency.

3614. Which of the systems has been found most favourable to the introduction of a new species of culture, and to the promotion of internal commerce and exchange of commodities?—I do not think that any of the systems have had a sufficient trial to enable me to speak decidedly on that point; and unfortunately the attempts at the introduction hitherto of a new species of culture have not been attended with very great success. I have a list which I prepared some time ago of the attempts which were made. The result is, that an attempt was made in 1796 to 1803 to introduce the culture of sugar, under some gentlemen, in the Ganjam provinces; the result was unsatisfactory: in fact, as far as it has hitherto gone, both for silk and for cotton, and other things, all the attempts hitherto made for an alteration in the nature of the culture have not been attended with success, with the single exception of the cultivation of Bourbon cotton in the province of Tinnivelly. In that province, owing to favourable circumstances of soil and climate, a considerable extent of ground is cultivated with superior seed received from the Isle of France; but the climate has opposed the extension of the culture of that article. I should say, so far as my humble opinion went, that the zemindarry system was better calculated than any other for the introduction of the culture of any exotic, or introducing a better species of cultivation through the means of capital, to be employed either by Europeans or by rich natives, inasmuch as much greater facility would be afforded in conducting the arrangement with the Zemindars than there would be with the native officers of the Collector, or with the Collector himself. Indigo, although cultivated under the Madras presidency to a certain extent, is not an article that has been attempted in every part, or very generally; whether it might or might not, would depend en-

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tirely on the views that individuals might take upon the subject; but certainly their arrangements would be materially facilitated if they had to make their agreements for land, or with the cultivators of the land, unshackled by arrangements with revenue officers in the pay of government. It does not follow that a gentleman might not give considerable encouragement, and might not facilitate, in certain cases; but speaking generally, I should say that the natives would prefer negociating with natives for land for those purposes, to undertaking it under the controul of a Collector. This is a list of instances where, under the Madras territory, attempts have been made to cultivate silk, cotton, cochineal, and other articles, during the time I was in India.

The witness delivers in the same; which is read, and is as follows:

PRESIDENCY OF FORT ST. GEORGE.

District.	Date.	Nature, Extent, and Object of Grant.	Result.
Ganjam	Between 1796 and 1803	Grant of land for the erection of sugar works, to Messrs. Smith and Colley, reverted to a Mr. Dick. The making of rum tried; sugar was not cultivated by these gentlemen; the cane was bought.	Unsatisfactory
	1800 to 1803	A lease of two pergunnahs, containing many villages, to Major Evans, superintendent of the Company's stud, to facilitate the breeding of horses. Cocoa-nut plantations on a great scale were tried. Major Evans was here a farmer of revenue, or European Zemindar.	Unsatisfactory as regarded the breeding of horses and rearing cocoa nuts.
Vizagapatam	1795 1804	A lease of many villages to Messrs Campbell and Keating, for the cultivation and manufacture of indigo, &c. These gentlemen were European Zemindars during the period of their lease.	Unsatisfactory as regarded indigo.
Rajahmundri	1793 1800	A grant of land to Dr. Roxburgh, near Samulcottah, for sugar plantations and exotics. This grant was not of any great extent, and did not include the superiority over any native village. Pepper tried, I believe.	Unsatisfactory and abandoned,
Guntoor Masulipatam	1794 1796	Various grants of small plots of ground were made in these and the provinces named above, for the creation of mulberry and opuntia gardens, for the rearing of silk-worms and of the cochineal insect.	Unsatisfactory as regarded silk and cochineal.

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District.	Date.	Nature, Extent, and Object of Grant.	Result.
Nellore and Ongole	1801 to 1804	Grant of privilege to work copper mines to Captain Ashton, H. M. 12th regt.	Unsatisfactory as regarded copper.
Company's Jugeer	1793 1795	Grant of land (part endowed land of a pagoda at Vulloor) to Mr. Popham, for the cultivation of Bourbon cotton and mulberry plants; not a grant of village superiorities.	Unsatisfactory
		Transferred to Mr. Wm. Webb, who tried rope-making from the Alve	Unsatisfactory
		Grant of land to make mulberry plantations, to Mr. Robert Wolfe and to several natives *N.B.*—In all cases of grants of land (not being entire villages,) the possession and occupation of the land was obtained for buildings and plantations for mulberry trees by private agreements made with the cultivators.	Unsatisfactory
Company's Jugeer	1793	Large occupation of land at Vellout, fifteen miles from Madras, under a Company's superintendent, for a mulberry garden and silk filature. Expensive works erected.	Failure.
	1793 1795	Grant of land and lease of villages to Messrs. Roebuck and Abbot, for the cultivation of indigo, &c. Expensive works erected. Much correspondence with the collectors and the government.	Failure.
	1795	Nursery for trees and bamboos on an extensive scale, by the collector's at Paramnbaucum.	Failure.
	1784	Grant of land to establish a weaving village, &c. to Mr. Jordan, near St. Thomas Mount, fifteen or twenty miles from Madras.	Failure.
Cuddalore South Arcot	1802 to 1805	Grant of land for a sugar manufactory, to Mr. Campbell. *N.B.*—Not certain whether the sugar-cane was cultivated by Mr. Campbell or purchased from the natives.	Failure as regarded sugar.
Barramahal	1793 1795	Grant of land for the rearing of exotics, and experimental agriculture and horticulture, to Mr. Meyther.	Failure.
	1804	Grant of lands for indigo works.	Going on.
	1812	Grant of lands for indigo works.	Ditto.
Arcot Tinnivelly	1793 to 1808	Establishment, under commercial resident, of plantations of cinnamon and nutmegs, and coffee plantations. Introduction of the cultivation of Bourbon cotton. The Bourbon cotton has suc-	Successful as regards cotton; abandoned as regards cinnamon, cof-

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District.	Date.	Nature, Extent, and Object of Grant.	Result.
Arcot Tinnivelly	1793 to 1808	ceeded; the cinnamon and coffee culture has been abandoned. The Bourbon cotton cannot be greatly extended; the plant thriving only either in a peculiar soil or climate; the latter most likely.	fee, and nutmegs, owing to the acquisition of Ceylon.
		Grant of land to Mr. Young, son-in-law to Dr. Anderson, and afterwards to Mr. Hughes, for cultivation of cotton manufacture, of indigo, &c.	Failure as regards Mr. Young, Mr. Hughes going on.
Malabar	1792 1808	A lease of village and grant of land to Mr. Murdock Brown, for various purposes, rearing of pepper, &c. entailed much correspondence and discussion.	Successful, it is believed, as concerned Mr. Brown.
	1792	Grant for the erection of a saw-mill, and advances on the Company's account by Governor Duncan.	Failure, with much loss.
		Experiments, successful Efforts of Europeans.	
Mysore	1800	The introduction of the potatoe into Mysore. It has become an article of export to Madras and elsewhere.	
Bangalore	1805	The introduction of the apple, peach, strawberry, and other fruits.	
Nalgony Hills	1818 to 1820	Introduction of European fruits, &c. on the mountains of Nalgony.	
Tinnivelly	1796	The introduction of Bourbon cotton	
Arcot & other provinces	1800 to 1805	The manufacture of indigo in an improved process from the cold infusion.	
	1793	The introduction of all sorts of articles manufactured in tin, now a most extensive native manufacture in every large town.	
	1801 1802	A canal dug by Mr. Cochrane, opening a communication between Madras and Pulicut, highly successful.	
		The improvement in stamping, instead of painting cotton goods, and introduction of improved patterns.	
		An improvement in the manufacture of steel.	
		The cultivation of coffee is spreading in Mysore and Bengal, it is said.	
		The cultivation of oats in Bengal and Behar.	
		N.B.—The occupation of land and farms of land revenue by Europeans increases the public correspondence with judges and magistrates, collectors and	

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District.	Date.	Nature, Extent, and Object of Grant.	Result.
Arcot & other provinces.	1801 1802	the government; but I am not aware that under any of the grants and leases enumerated in this list the European grantees were oppressive superiors. Their native servants, like a collector's native servant, occasionally domineered and oppressed, and were perhaps able to conceal their oppressions from their master till complaint was made to a higher authority.	
		Silk at Bungalore.	
		Indigo in Tanjore, Salem, and Tondiman's Country.	

3615. Can you suggest any regulations under which the growth of any foreign articles of produce might be more effectually encouraged than it is at present?—The best encouragemant, I think, would be to leave the parties to settle themselves the terms on which the land should be cultivated or should be procured, or to facilitate the object of it by the removal of inland and export duties on the article.

3616. Would not the settlement of a greater number of Europeans, possessed of capital, in the country, tend to the increased growth of other produce?—I should certainly think the only chance there is of much increased growth taking place would be the introduction of increased capital, or Europeans setting the example with the introduction of increased capital.

3617. Should you apprehend any influence to arise, as connected either with the peace of the country or the happiness of the natives, from an increased settlement of Europeans for those purposes?—None whatever, provided the Europeans were placed under adequate controul, and were made amenable to local laws for cases not amounting to that which will bring them under the jurisdiction of the King's courts. Foreigners, not being British subjects, are at this time amenable to the local courts; and the only question would be as to the number. I conclude, that in the first instance their establishment must be very gradual. Of course, no person, such as an artisan or labourer, or persons without capital, can find employment in any other way than by superintending the works of others.

3618. Do you know of any instance in which Europeans have settled in the Madras territory?—Yes, I know of some; they are enumerated there.

3619. Is there a favourable or an unfavourable feeling generally prevalent among the natives towards European indepen-

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dent settlers?—I should say that the number of those settlers under the Madras presidency bears no proportion to those under Bengal. I do not know that at this moment there is a single settler in any of the provinces under Madras, or that the number exceeds three or four, at any rate. There were grants of land, which may be called European zemindarries, granted for the cultivation of indigo; and parcels of land granted for the cultivation of the mulberry, for silk, as enumerated in the list I have delivered in. There was also a grant of land for the cultivation of Bourbon cotton. It was obtained by purchase from the inhabitants of the village; and, what is singular, the revenue on the land belonged to the temple of the village; the right of the government therefore had to be purchased from the officer of the temple for the time, and from thecultivator of the soil also. This land, from the abandonment of the project, reverted as revenue to the temple, and the land to the cultivator. Disputes and correspondence with the Collector, and with the Board, and with government, did certainly take place to some extent with those European settlers; but I am not aware that it can be said, generally, that the natives had any objection to be placed in communication with Europeans, in cases where they are under adequate controul, or where they are men of education, and disposed, as they are in most cases, to do justice to all around them.

3620. Are you of opinion that natives might not be more generally employed, and in offices of a higher description, than they are, both in the administration of justice and the collection of the revenue?—Certainly. I think that natives may be gradually made fit for employments in the higher situations of revenue, judicial, commercial, and even political. To a certain extent, the experiment has been tried, since the Regulations of 1816, of extending the jurisdiction of the district Judges, with much success. A further experiment has been tried, of creating a native Judge in the town of Seringapatam, where an European Judge formerly presided; and I have no doubt that the result will be satisfactory, wherever the selection is properly made. There must be occasional disappointment, no doubt; but unless a commencement is made, no favourable progress or result can be expected. When I state this I also wish to state, that in the revenue department I should consider that a native is quite as fit to be the administrator of a province, and of his own concerns, as he was to be employed in those situations of the judicial department; that consequently there appears, in my humble opinion, a great inconsistency in advocating, that in the revenue department no man shall become possessed of a territory, or have the management of a territory; that all our institutions shall be ryotwar, and all money revenue collected by means of stipendiary servants. It would follow, that a man, being capable of judging on the private fortunes of others, and competent, in a criminal case, to act as a juror, or probably in

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the higher office of a Criminal Judge in minor cases, was not fit to be trusted with the management of twenty or thirty villages as his own property, without fear of his oppressing those under him, or being guilty of acts of extortion and [illegible]. I am therefore of opinion, that it would be wise to [illegible] the natives to offices of higher trust in every department [illegible]lly, and under due selections made for the purpose. T[illegible] is a college established at Madras for the purpose of e[illegible]ting pleaders in the courts of law, officers and pundits, and [illegible]ining all those who are candidates for office in all those laws. I think I have heard that it is intended to extend it to revenue officers to be employed in the interior. Advantages have resulted from it in the judicial departments, and I have no doubt the benefits may be made much more general.

3621. What education would you give in the college to the persons intended for the revenue department?—When I stated that I believed it had been extended to the revenue department, I spoke from hearsay. I do not myself know what objects the promoters of the plan of extension have in view; but I should say, that the great outline and leading principles of revenue administration might be laid down to natives in the college, and the necessity of departing from the practices of the native government be pointed out; that the object of the government was to protect the ryots under all circumstances, and to make justice a superior consideration to revenue; but so far as regards the details of revenue management of the country, they can be acquired only in the interior provinces.

3622. The instructions in the college would therefore be moral, not practical?—Certainly.

3623 At what period did you make this paper of the experiments of Europeans?—It was made at the request of a Director, about six or eight months ago; and I applied for it back again the other day.

3624. Have you any information as to the presidency of Madras, which would enable you to speak upon this subject, subsequently to the year 1805?—I quitted Madras in 1820; that is the latest period to which I can speak; but I do not know of any experiments, except an indigo plantation formed in the small province of Tondamar, a small district excluded from all jurisdiction of our courts of justice. There is a manufacture of indigo carrying on there, I am told, by an individual. I believe that is the latest. That is the only one I personally know of.

3625. Subsequently to the year 1805, there appear to have been only two grants to individuals for the purpose of experiment in cultivation, one in Malabar in the year 1808, to a Mr. Murdoch Brown, another in the year 1812, in Barramahal, for indigo works; are you aware whether there have been any other

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lands granted, except in those two cases, during the last twenty-five years?—I should say not; even the applications have been very limited.

36[illegible] you aware of any applications having been made and [illegible]?—No; I rather believe that when they were made ther[illegible]een no reluctance that I am aware of; indeed, in the sout[illegible] provinces, for the cultivation of cotton, there has been a g[illegible] made in Tinnivelly, to a Mr. Hughes, that has been exten[illegible]d, I believe, and he has since become the contractor for the supply of Bourbon cotton in that province, and the commercial residency has been abolished.

3627. Can you say that any of the land that had been thrown out of cultivation which was peculiarly liable to suffer from fluctuation of season, is under the zemindarry system?—Yes, a great deal; almost all the lands under the zemindarry system are below the Ghauts; and therefore all irrigated lands, to a certain extent; not the whole, but a proportion, are liable to a fluctuation under the south-east monsoon.

3628. What has been the comparative result of the ryotwar system and the zemindarry system, with respect to the persons it affected?—I have endeavoured to explain, in the former part of my evidence, that the ryotwar in the first instance was exceedingly ill done; that it was conducted without specific rules, without specific laws, or without the people being first adequately under the protection of the law. So far, then, as I have stated, the effect of the ryotwar has been extremely injurious; but I wish at the same time to add, that I believe the necessary consequence of the ryotwar, if well conducted, as I have illustrated in one small province, has been attended with extremely beneficial results to the people. I am therefore only desirous to draw the attention of the Committee to the general principles of the two, that a third party should decide between the conflicting opinions which exist among the civil servants of the East-India Company, which of the two systems possessed the soundest principles in themselves, not only as regards revenue but the internal government of the country.

3629. What has been the result of your own opinion on the most improved system of each, since the period they have been commenced by government; whether beneficial in the places where the ryotwar system has been established, or in those parts of the country where a zemindarry establishment had been made?—Both systems having been very badly established under the Madras Presidency, great evils have followed from both. Over-assessment has been the case in both systems. The Zemindars have suffered under the zemindarry system; but the ryots have not suffered under the zemindarry system the same as they have under the ryotwar system, where that system was badly introduced.

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3630. Has not the result of the zemindarry system been to bring a vast quantity of land that was in the possession of the Zemindars to sale?—Considerably. It was the necessary consequence of over-assessment, that the land should be sequestrated when the revenue could not be paid.

3631. Can you state what proportion that has been in that part of the Madras presidency where that system has prevailed?—The total amount that was permanently settled amounted to twenty-eight lacs of pagodas; but I cannot state the quantity sold. Nearly the whole of the jaghire sold under the permanent system has reverted to the Company, owing to the exorbitant amount of the permanent assessment.

3632. You stated one of the objections to the union of the power of the Collector and the Zillah Court was, that there was a want of a third party to whom reference could be made, which was a court of justice?—Yes.

3633. Do you recollect that one of the great objects of making that arrangement with respect to the union of those two powers was, that the courts of justice to which the ryots could previously appeal were found quite insufficient for their protection?—I have heard that stated, certainly, and it has been very generally stated so in Bengal; but that certainly was not the case at Madras. Either the people, from long experience of European character, or some other cause, had found their way to the court; and I think that the instances I have stated shew that they knew where to appeal when they were oppressed.

3634. Were not the courts found, in many instances, in the Madras territory, insufficient to defend the ryots from over-assessment and undue collections, from the poverty of the persons, and from their apprehension of incurring resentment by appealing to the court? Certainly not, at Madras, to any extent to deserve a general answer; that particular instances have occurred there is no doubt, but not to deserve a general answer in the affirmative.

3635. Was not that one of the grounds on which Sir Thomas Munro placed that separation?—It was so; he pledged himself, before the courts were established, that that would be so. It was stated by one party, that we had established courts of justice to which the people would not go; it was stated by another party, that the people would be drawn to the courts on all occasions, and the cultivation would suffer; it has been stated, that a great inconvenience has arisen from letting in a torrent of arrears, consequently that the courts of justice, instead of taking up the administration of justice from the period at which they were appointed, were overburthened with arrears. In these three propositions there is somewhat of inconsistency; because, if there had been an administration of justice before the courts had existed to any beneficial purpose, there would

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have been no arrear. Then, if we had created courts to which the people would not go, there would have been no subsequent business; the appeals would have soon been disposed of. Then, if the administration of justice cannot take place when the people are under Zemindars, how can justice be administered when the ryots are placed under the controul of subordinate native officers?

3636. The ground upon which the question proceeded was not a supposition that the administration of justice did not take place at all with respect to ryots, but that it did not take place very beneficially for their protection?—I meant that the administration of justice is insufficient for the protection of the ryots, both under the one and under the other, but I think it will gradually lessen itself.

3637. You stated that the assessment under the ryotwar settlement had been one of the great defects of that system?—Unquestionably.

3638. Do you recollect the result of it at first, under Sir Thomas Munro?—Perfectly.

3639. Are you aware of any means so effectual, for ascertaining the capabilities of the country to pay revenue, as the ryotwar system, supposing it to be well applied?—It is certainly well calculated to discover the resources of a country, from a survey of every district to form a record of assessment and collection; it did not follow that because the revenue survey was necessary to discover the extent of the land under the village system, and the general resources of the country from the actual collections, that it was necessary to alter the assessment that might have happened to pre-exist. The assessments were on certain principles; they might have been modified, and the survey gone on; but in the ryotwar was introduced the distinct and predominant feature of assessing all in money—assessing each field, and the whole collected by the officer of government, and no intermediate agent.

3640. Was not it Sir Thomas Munro's plan to establish the ryotwar system in the first instance, for the purpose of ascertaining the capabilities of the country, and afterwards with the avowed intention of reducing the assessment twenty-five per cent.?—Certainly; it was his object to reduce it in all cases.

3641. Then the ryotwar system was carried into effect according to his advice and under his view, but the reductions were not subsequently made; they were sold before the proper reductions?—No; that district has not been sold; no ryotwar district has been sold, except one.

3642. He proceeded with that intention?—Yes.

3643. Do you think, supposing that reduction had been carried into effect, they would have been too highly assessed?—

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In money, certainly. I consider that in the fluctuations of price the reduction of twenty-five per cent. will not meet the fall in price; and during the time that the triennial leases, which were substituted, perhaps improvidently, in those provinces, during Sir Thomas's absence in England; the result was, the renters themselves greatly reduced Sir Thomas Munro's rates; and though I learned at a subsequent time that the twenty-five per cent. was ordered, that will not, I fear, meet the reduction in the prices of edible grain throughout the presidency.

3644. The intention of Sir Thomas Munro was a reduction to bring it to the ability of the people to pay?—Yes; the only question is, whether the money price can stand at all.

3645. You stated that there were some alterations made under the express directions of the government at home?—Yes.

3646. That was under a dispatch that went out in the year 1818?—About that time.

3647. Was not the purport of that dispatch in order to make use of the punchayets to a much greater degree than they had previously been used?—It was.

3648. Has that been carried into effect?—It has.

3649. To what extent?—It formed part of the original question; but it was Sir Thomas Munro's opinion, that the forms and machinery of the Regulations greatly impeded its establishment, and rendered it nugatory. The result was, that in his amended code he introduced other regulations, which he thought fitter for the purpose. The result of that has not been satisfactory; but that part of it which went to transfer the native Commissioners for the deciding of suits into district Judges, with fixed salaries, has been attended with very good results.

3650. How far would the modification of punchayets to the form of juries be beneficial, in your opinion, to the administration of justice in India?—In the province in which I was placed in early life there was no provision for the administration of justice. I was directed, on all occasions, to adopt the principle of the punchayets; and I so instructed others, when the superior native officers were directed to use their influence to refer cases to punchayet before the parties came to the Collector. I have been called out to write a letter, to go down to the government office, while investigating some claim as to landed property. I used my utmost endeavours to make the punchayet efficient. I do not mean to say there were great efforts made for the drawing up regulations, as have been since done, but it was attempted to make the greatest possible use of them; but I am bound to say the result was exceedingly unsatisfactory, both to the people and to myself. I could seldom get the people to accept it; and when they did accept it, it generally

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came back with two decisions, one by one half of the punchayet, and the other by the other half, with very often charges of corruption of one party against the other; and I have often met with cases of punchayets with decrees never carried into effect under the proper authorities. I do not mean to say that under an improvement this judicature, if established on better principles, may not be made an effective instrument, and be usefully employed where they have not ultimately to decide in courts both civil and criminal.

3651. In your opinion, are the natives better satisfied with the decisions they receive from the native officers, or from Europeans?—Undoubtedly from Europeans. Their uniform language is, "We are here; pray decide it; do not send us to a third party." But whenever there is an appeal from the decision, it is absolutely necessary, to prevent delay, that there should be native instruments employed in the first instance.

3652. Supposing the same case might be decided by an European or by a native jurisdiction; which decision would they be most satisfied with?—I should say an European decidedly; though I have not been in the judicial department myself.

3653. Do you think it would be a benefit to the administration of justice, if there were a native juror, not exactly in the shape of a punchayet, but under the superintendence of a European Judge?—I should say certainly the experiment might be tried in those districts where intelligent natives might be procured to try matters of fact. The trial of native soldiers by native officers in the army proceeds pretty much upon the same principle—a body of natives assemble to try natives; and they might there, as they do here, try the fact.

3654. Do you happen to be acquainted with the manner in which they have introduced the trial by jury in Ceylon?—No, I am not, except by conversation.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 11° *Maii* 1830.

The LORD PRESIDENT in the Chair.

ROBERT DAVIDSON, Esq. is called in, and examined as follows:—

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3655. IN what situation are you?—I am a merchant in London; I was originally an indigo planter in India.

3656. At what time did you first go to India?—In 1804.

3657. When did you quit it?—In 1816.

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3658. Did you go out originally as an indigo planter?—No; I went out to push my fortune in mercantile pursuits.

3659. You went out with a view to commerce?—Yes.

3660. Not in the employment of the East-India Company?—No.

3661. Did you go out under a licence from the East-India Company?—No; licences were not then usually granted.

3662. Was it possible at the time to go to India without a licence?—Yes, it was, irregularly, I believe.

3663. To what place did you first go?—To Calcutta.

3664. In what branch of business did you first engage?—In mercantile business a short time, and afterwards I went into the indigo planting.

3665. How long did you reside in Calcutta, and at what other place did you chiefly reside?—Chiefly at Bhaugulpore.

3666. How far is that up the country?—From 250 to 300 miles from Calcutta.

3667. When did you first settle at Bhaugulpore?—In 1807, I think.

3668. Was that with a view to the cultivation of indigo?—It was.

3669. You never removed afterwards to any other place?—No, I came from that place to England.

3670. Were you employed by any house of agency, or was it on your own account?—It was on my own account.

3671. Had you any partner?—I had a partner part of the time.

3672. You were not concerned in any house of agency in Calcutta?—No.

3673. Did you receive advances from any house of agency?—Certainly.

3674. Did that form a large portion of the capital then invested?—A very large portion.

3675. What interest did you pay?—The interest was some part of the time ten per cent., and part of the time twelve per cent.

3676. What was the extent of the plantation you formed?—Very extensive. I fancy my indigo plantations extended in patches over sixty or seventy miles along the banks of the river on both sides, from above Bhaugulpore to Rajemhal.

3677. Had indigo been planted there before?—Yes; not to the same extent; I extended the concern.

3678. Can you state the number of acres?—I believe I have had as much as a hundred thousand begas on my list; some part

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of my plantations were in Bengal Proper, where the bega was small, but it is larger up the country. They were about two to the acre, I should think, on the average.

3679. Will you describe generally the system of cultivation you pursued?—The system of cultivation I generally pursued was by advances to the ryots; and they either delivered the weed at the factory, or I removed it at my own cost.

3680. What interest had the ryots themselves in the cultivation?—They had an interest; they received a stated price for it in proportion to the quantity delivered.

3681. What was the nature of the agreement you made with the ryots?—The nature of the agreement I made with the ryots was for them to receive so much money in advance, and they agreed to deliver so much of the weed at a certain price.

3682. Did you find a great disposition on the part of the ryots generally to engage in the cultivation?—Very much; I never had the smallest difficulty in my part of the country in getting as much cultivated as I was diposed to take.

3683. Is it a system of cultivation that requires any particular degree of skill?—In the cultivation good culture, but no particular skill; it required skill in the manufacture, but not in the cultivation.

3684. Have you observed any difference in the habits of the ryots engaged in that species of agriculture as distinguished from others of the population?—No, not at all.

3685. Are there any obstacles to the extension of the cultivation of indigo in India which you conceive might be removed?—I conceive that permission to hold lands would be a great advantage. The extension of the cultivation of the article must depend upon the remuneration or price which it meets with in the great market of the world.

3686. What is the interest you had, yourself, in the lands you cultivated?—I had no interest at all in them.

3687. You had, probably, a lease of the ground on which your manufactory was established?—Yes, a perpetual pottah.

3688. Are you of opinion that if leases were granted a material extension of the cultivation would take place?—I think it is extremely probable, if the article maintains its price, or rather advances in price; it must depend upon that point.

3689. What is the duration of lease you would think requisite to give the utmost encouragement to the cultivation?—I should think that holding lands in fee-simple would be indispensable, not only in the cultivation of indigo, but for the good of the native population.

3690. You think that a long term of years would not be

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sufficient for the purpose?—A long term of years would not be so good as a perpetuity.

3691. You had reason to be satisfied with the industry and regularity of the native population, as far as you were concerned?—Very much so in general; I think them an exceedingly amiable and interesting race of men.

3692. Should you, from your general observation on their character, conceive them capable of employments of a higher description than those they are generally permitted to exercise?—In the progress of events and time, and with improved education, particularly by their being instructed in the useful arts and sciences common in Europe, with which they are at present unacquainted, I think they certainly would be.

3693. Was the district you inhabited peaceable during the time you resided there?—Perfectly so. There was one occasion—a house-tax in the town of Bhaugulpore itself, during the government of Lord Minto,—on which a good deal of ferment was excited in consequence of misapprehension on the part of the native population, and the fear of the oppressions of the subordinate officers when a little popular excitement appeared.

3694. What was the nature of the tenure of land in the district?—Generally held by Zemindars in chief, and by them relet to the ryots on pottah. The conditions of a pottah are so various, and so variously construed, it is a difficult matter to define what the tenure exactly is.

3695. From your observation, should you consider that species of tenure favourable or unfavourable to the improvement of the country?—I think it would be requisite, in order to carry forward the improvement of the country, that that tenure should be much better defined, and much more liberally extended.

3696. Did the taxation of land in that part of the country which fell under your observation appear to you to be pretty fair and equal?—The government assessment was very variable, and bore very differently in different parts of the district. Taking it upon the whole, I should think it was decidedly too heavy; that it absorbed too great a proportion of the net produce of the land.

3697. Was that what was commonly called the permanent settlement?—Yes; the permanent settlement was applicable to that part of the country.

3698. It has been stated in evidence, that some of the Zemindars made a profit equal to the revenue?—They do in some cases.

3699. In what mode did the rich Zemindars, with whom you had intercourse, spend their income?—A great many of them were very much in the leading-strings of the people about them; a great many of them were in debt and difficulties; and

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3700. Did the ryots shew a disposition to consume articles of luxury, as far as lay within their reach?—If they had had the means, I think they were very anxious to get clothes, hardware, glass ware, and articles of that description.

3701. Were any of the ryots enabled to accumulate any thing like capital?—In some cases. I have known instances of ryots being worth three or four thousand rupees.

3702. How did they generally employ the small capital so accumulated?—It is a very important part of the duty of a Hindoo to establish his family in life; to marry them properly, to settle them advantageously; and funerals are very expensive.

3703. Do they, in any instance, shew a disposition to embark it in commercial and agricultural speculations?—Sometimes I think they do. I think they are not averse to things of that kind, where they see a feasible opportunity.

3704. Are there instances in which they have done that properly?—There are instances in which they have embarked in the cultivation of indigo, in the cultivation of cotton, tobacco, and other articles of their own growth.

3705. Were the ryots much in the habit of discussing the measures and system of the government, as applicable to their own condition?—No, they were not; they were generally very subservient.

3706. Does the same observation apply to the Zemindars?—The Zemindars, of course, having more opportunities of information, are a little more desirous of knowing what is going on in the world at large. Since I have left India, I understand a very considerable additional curiosity has been excited in their minds, in consequence of the more extended intercourse they have had with Europeans.

3707. Have any unfavourable circumstances connected with that intercourse fallen under your observation?—None of any importance.

3708. Do you conceive the intercourse as beneficial to the natives, so far as it has hitherto taken place?—Most assuredly; I think they have been most particularly benefited by it.

3709. Do you conceive that a more extended settlement of Europeans in the country would not lead to disputes between them and the natives?—I do not think it would; any material cases of disputes which have hitherto taken place between the natives and the indigo planters, for instance, have chiefly arisen from the circumstances in which those indigo planters have been placed. Those circumstances I conceive to be the denial of the power of holding lands, and the use that is made of it by natives

in boundary disputes; the cloak made of European influence, or whatever power an European may have in assisting them to carry through the disputes, which are numerous, with their neighbours about boundaries or about fields. Natives frequently get into disputes, and they enlist Europeans in their cause. Other natives enlist other Europeans in their interest in opposition.

3710. Disputes are not commom in which Europeans are embarked exclusively on one side and natives on the other?—I should suppose not; they have never come within my knowledge; I do not recollect any cases of that nature.

3711. Do the natives in general repose as much or more confidence in Europeans, in the ordinary transactions of business and of life, as they do in each other?—I think more.

3712. Have you had any opportunity of observing any other species of cultivation, such as cotton, sugar, and silk, in the course of your residence?—I am not practically acquainted with the one or the other; I generally saw them growing in the country.

3713. Can you state, generally, in what branches of speculation Europeans have been most successful?—I think indigo has been the most important and the most successful.

3714. To which species of cultivation do you consider that the power of holding land is most essential?—To indigo it must be very essential; and to cotton, silk, tobacco, and various other articles.

3715. Are you aware of any other circumstances, besides the want of the power of holding land, which you have stated, that have proved obstacles to the cultivation either of indigo, cotton, silk, or sugar?—I should think that, indirectly, the defective administration of justice must have an influence upon the production of all those articles, and the want of free permission for Europeans to settle and colonize.

3716. Have you any reason to think that coal is to be found to any extent in that country?—It is found, and I have understood it is likely to be found to a greater extent than it has been; but I have no practical knowledge on this subject.

3717. Are you of opinion that any means might be found of increasing the facility for finding remittances to England beyond what now exist?—Undoubtedly, if the China monopoly were to be given up, from India direct; also by the increased production of articles suitable to the consumption of England; silk, for instance, is a very important article. Cotton, by an improved cultivation of it, if it were practicable. I am not sanguine, however, in the expectation of a very large increase in the cultivation either of cotton or of sugar in India.

3718. Why not?—From the way in which the land is at present pre-occupied in raising other articles of export, and the

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3719. Is it from want of capital you conceive such an extent of cultivation would not take place?—I think want of capital, in the first instance, would be a difficulty: but an important part of the production of cotton in America is on the alluvial lands of the Mississippi; the cotton produced there, almost without labour, comes, of course, into competition with India cotton. I give my opinion on this point, however, with great diffidence, because it is a thing which has never been fairly tried.

3720. Do you know the relative price of labour between the banks of the Mississippi and India?—There is no comparison in the price of labour; but the relative price of labour does not come into operation. The article of cotton, I have understood, is produced in that part of America almost without labour; they have nothing to do but to scatter the seed on the alluvial lands of the Mississippi.

3721. Does not the labour of the gleaning and the manufacturing form a very large proportion of the price?—The gathering forms a certain proportion; there are machines, I understand, used in America, by which the labour of cleaning is very much facilitated.

3722. When you say that the experiment has not been fairly tried, to what do you refer?—I refer to this, that to the cultivation of cotton fairly persons must have the right of occupying those lands freely, and have a right of erecting buildings, and free egress, and every thing belonging to a free and extended commerce.

3723. Cannot they erect buildings as well for cotton as for indigo?—They would require to hold lands for that purpose.

3724. Do they require to hold lands for the purpose of carrying on that extensive cultivation of indigo which has been carried on?—I carried it on, but not under circumstances giving the cultivation of the article its full advantages; nor would it be practicable to do so, if any other country were discovered producing it with greater natural advantages.

3725. Do you think it essential to the interests of the merchant manufacturer that he should raise the articles he manufactures?—No, I do not think it essential. If he can do it through the ryots, it is not necessary; but there are many cases where he cannot do it.

3726. Is it not as open to the English speculator to make advances to the ryots for the delivery of cotton, as it is for the English speculator to make advances to the ryots for the delivery of indigo, and to have a cotton manufactory instead of an

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indigo manufactory?—Yes; but cotton is an article that requires occupation for several years. The erection of works for cotton, sugar, and several other articles, must be done with some view to permanency.

3727. If a remunerating price were obtained for cotton, would it not be for the interest of the merchant manufacturers to make an agreement for several years with the ryot, and the ryot to enter into that agreement?—Yes; no doubt of it.

3728. What obstacle practically exists, then, to the engaging in the production and manufacture of cotton, in the same way as the production and manufacture of indigo are carried on now?—I do not see that there is any material difference, except that the one occupies the ground longer than the other, and that indigo cultivation is not now carried on to the best advantage, in consequence of those circumstances. In cotton and sugar the investment of fixed capital would be much greater.

3729. At what period does a cotton plantation come to maturity?—I believe in some part of India cotton is nearly an annual; but the best description of cotton, the American cotton, does not bear, I believe, for two or three years.

3730. Is the indigo an annual plant?—Very much so in the lower provinces; it is generally inundated, and hence it is generally at an end in the first year; but it is not necessarily an annual in the upper provinces, and parts of the country out of the reach of inundation; it lasts for two or three years.

3731. Have you had occasion to observe in the country, while you were there, any diminution in the proportion of the Mohamedan religion to Hindoo?—I have understood there is a material diminution now going on.

3732. You speak from general understanding, and not from practical observation?—Just so.

3733. Do you mean generally speaking?—Yes, I believe generally.

3734. What description of religion is most favourable, from your observation, to the general industry and improvement of the country, the Mohamedan or the Hindoo?—The Mohamedan has fewer prejudices than the Hindoo; the Hindoo again is a docile creature. I think practically, so far as the common business of life goes, the religions or creeds of the people do not come prominently into contact with Europeans in their commercial operations. I should say decidedly, with reference to the state of society among the Hindoos, that it is very artificial, and consequently a very bad order of a great community.

3735. Was any improvement effected in the district in which you resided, in the education and acquirements of the natives?—I am not aware of any.

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3736. Are you of opinion it would be easy to effect much improvement?—I am; it would, in my opinion, not be difficult.

3737. State the nature of those improvements which you think it would be easy to produce?—I should propose improved instruction; they have common schools, but they do not appear to produce material effects at present.

3738. What measures would you propose?—I should propose that they should have an opportunity of learning all the arts of useful life, in which Europeans are so superior—chemistry, natural philosophy, mechanics, and the application of mechanics to the arts, with more extended intercourse with Europeans.

3739. Would you teach philosophy and mechanics in the village schools?—It could hardly be done in the village schools, but there are various cities in which it might be done.

3740. Is it not already done in the cities?—I have not had any opportunity of seeing it.

3741. Had you no lease of land for the purpose of growing indigo on your own account?—Some of my people had.

3742. What do you mean by your people?—My servants.

3743. Were they natives or Europeans?—Natives.

3744. If you could have had a lease, should you have got one?—Undoubtedly.

3745. If you had had a lease of the lands yourself, how would you have proceeded to effect the cultivation of the indigo; would it have been by hiring persons at daily wages to cultivate it on your own account, or would the ryots have cultivated it upon their account, as they generally do?—The great object, I think, of a lease in a case of that kind to the planter personally, would be to prevent being obtruded upon by other Europeans in the production of the article. I should not have proceeded to have employed people to cultivate the land myself in the common way that a farmer would do in this country; I should have endeavoured to do it through the ryots, if practicable.

3746. Upon the system of making an advance, in the first instance, to the ryots?—Exactly so.

3747. You think that a lease would have given you more protection against the interloping of other Europeans, than was afforded to you by the legal rights you acquired by means of your advance?—Yes.

3748. Then would you have both lease and advance?—Yes.

3749. Then would not you oust the ryot who now has the lease?—No, decidedly not; I should have done every thing to improve the condition of the ryot; I think he would have prospered more as my tenant than as tenant of the native Zemindar.

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3750. The object of the lease is to prevent those contests which arise between Europeans?—Yes; and giving permanency to a person's own property.

3751. Did you carry out any capital to India?—I think very little.

3752. Do you know any indigo planter who did?—Very few.

3753. They carry on their speculations with advances made by the agency houses?—Yes, generally.

3754. At an interest of ten or twelve per cent.?—It was at that rate at that period; now they can get advances at from six to eight.

3755. Are you aware what interest those agency houses allowed to their customers at the time they took that interest from you?—I think they allowed, probably to their constituents, one or two per cent. less than they charged to me.

3756. Did you still, when you paid that interest, carry on your speculation to a profit?—Yes, if the seasons were favourable, and the markets tolerably good.

3757. Has it been more or less profitable since that time?—Since that time it has been more profitable; but I should distinguish between the parties sending it to England and selling it on their own account on the spot. I should think that those sending to England recently, and realising the low prices obtained here of late, could hardly have obtained the cost of production.

3758. You do not apprehend that a state of things like that can last—a high price in India created by the expectation of realising a high price here, but ending in disappointment?—The high price in India has not been produced by the expectation altogether of a high price here; it has been enhanced, in some measure, by the necessity of people to obtain remittances from India in return for goods sent out, and by the competition they meet with in the East-India Company as purchasers of the article there.

3759. Can you state the difference between the bullion price of indigo in India and in England?—I should think in some instances it must be from twenty to forty per cent.

3760. What is the expence of transmitting bullion to England?—I should think not eight per cent.; bullion in India is not obtainable with great facility.

3761. Except in Calcutta, you have nothing but coin?—No, nothing but coin; people of course in buying an article, however, at such a distance, do not know at the time they buy that it will be so much depressed in England as it is when it arrives; but the excessive production has been stimulated by those two circumstances—the necessity of the people to obtain remittances, and by the competition of the East-India Company;

11 May 1830. these in turn have produced an over-supply in Europe, which effectually depresses the market.

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3762. When those who had given the same price for indigo in India heard that they had lost by the remittances forty per cent., do you apprehend they would give the same sum another year?—I apprehend not.

3763. Then, practically, those indigo speculations in India have been carried on, not by capital remitted from England, but from the accumulated savings of the military and civil servants of the Company, who have deposited those savings in the hands of agency houses, which agency houses have lent their money to the speculators in indigo?—I should say that a very small proportion of the accumulated capital of the agency houses in India can be the savings of the civil and military servants of the Company; that a large proportion of it is native capital, and the capital of the houses themselves. Old-established houses in Calcutta have large capitals.

3764. Is a large amount of native capital engaged in those houses of agency which bear the names only of English partners?—In various ways, I should think, they may have extensive transactions with them, which answer the purposes of capital; I should not say that they are partners in the business, nor do they lend their capital collusively, but they have *bonâ fide* transactions, which in their nature answer all the purposes of capital.

3765. It was not your own capital with which you carried on this speculation in India?—It was not my own capital with which I began.

3766. You began with borrowing capital at ten or twelve per cent.?—I did.

3767. You were able, notwithstanding the burthen of that interest, to apply it profitably?—I was.

3768. So that if you had applied capital of your own, instead of borrowing it in India at a very high rate of interest, the whole speculation would have been still more profitable?—Undoubtedly.

3769. Should you have been ready to embark in the speculation with your own capital, as well as with the capital you borrowed?—Certainly.

3770. Would it not have been considerably more profitable to you, if you had been so able?—Yes, undoubtedly.

3771. What circumstances are there which deter capitalists from so embarking their own capital from England in a speculation of that kind?—I think the difficulty of settling in the interior of the country is one.

3772. The restrictions under which Europeans are placed?—Yes, the restrictions under which the Europeans are placed.

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3773. Are you of opinion, that if those restrictions were removed, many persons of capital in England would be found disposed to embark their capital in a speculation of that kind?—That would depend on the expected advantages.

3774. With the present advantages?—I think it possible they might with the present advantages; I think it is possible and likely that they would. When capital is so redundant as in England, they might very likely turn their attention to things of that nature.

3775. State what restrictions you desire to see removed?—I should propose that Europeans should be at liberty to go to India, and settle in India, without any restrictions.

3776. Where an European has permission to go to India, what restrictions should you wish to see removed when he was there?—I should wish to see him permitted to hold land, and, generally, enjoy all suitable privileges.

3777. On freehold?—Yes.

3778. Do you think that if Europeans were permitted to hold lands, the situation of the ryot who cultivated under them would be materially improved?—I think it would be improved; for that would lead to an improved administration of the land of which he became possessed.

3779. If an European were so allowed to hold land, would he not displace all the small leaseholders, the ryots?—I think the number of Europeans who can go to India, on any principle which is feasible, will be very small. There cannot be an emigration of common labourers; it must be an emigration of capitalists and artisans.

3780. You think that if the restrictions were removed, the benefit would not be great, the number of persons being limited?—The benefit would arise from the capital, and the different system introduced, rather than from the number.

3781. Would not the occupation of land by European freeholders displace the ryot leaseholder?—I think not.

3782. Would he give leases to the ryots?—I think he would; it would be decidedly his interest and his duty to do so.

3783. That expectation of advantage to the ryot is derived from the supposition that the European speculator, who went out to make a high interest for his money, would deal more liberally than the native Zemindars?—Yes.

3784. Is the situation of the ryots who cultivate indigo for the indigo planters superior to that of other ryots engaged in the cultivation of other articles of agricultural produce?—I do not know that there is any very material difference. Indigo is not the only article of a ryot's production. I think, in the comparison between those who do cultivate and those who do not, that those who cultivate indigo are rather best off.

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3785. In what way did you obtain a lease of the ground on which your factory stood?—I obtained it from a Zemindar; it was a perpetuity.

3786. You, who went out without the permission of the government, obtained possession of lands held in perpetuity?—Yes, I had the permission of the local government.

3787. Therefore the restriction did not personally affect you?—No; Europeans were permitted to hold land to the extent of about twenty acres or fifty begas, in one spot, in perpetuity, by express permission of government.

3788. Have not the ryots certain rights in the lands they occupy and cultivate?—I think they may be considered, practically, almost as tenants at will.

3789. Are they not understood to have certain legal rights?—Under the government antecedent to ours; the Mohamedan government was generally in the habit, I have always understood, of considering the ryots, as long as they paid their rents, prescriptive tenants.

3790. Is there not, practically, in different parts of India, great variety of rights possessed by cultivating ryots?—They have various rights.

3791. Have not those rights been very imperfectly ascertained?—They are exceedingly complicated and difficult to be ascertained.

3792. Would there not be some fear that the rights, when not clearly ascertained, might be violated by the leases from the Zemindars to Europeans?—I conceive the rights possessed by the ryots antecedent to the lease would not be vitiated by such leases.

3793. Might not the granting leases by Zemindars to Europeans lead to much contest and litigation?—I conceive not more than at present. There are no persons more fond of litigation than the Hindoo Zemindars.

3794. If there were many European settlers in the country, under what law do you think it would be expedient to place them, civilly and criminally?—That is a very difficult question to answer. We are hardly satisfied with our own laws at home. It would be very presumptuous to give an opinion off hand, what particular code I should recommend to be applied in a case of that kind; it would require great consideration and considerable investigation.

3795. Is not that a question, practically, of very great difficulty?—It is certainly practically difficult, but I think not insuperable, with a disposition to meet the difficulties of the case. The difficulty does not apply so much to the state of the natives, as to the privileges and rights of the British subject, as he stands

at present; whether it might be eligible or practicable to increase or restrict those rights in any degree, especially in the administration of justice. 11 May 1830. — *R. Davidson, Esq.*

3796. Has there not been great difficulty in obtaining returns for the exports of British manufactures to India?—There has.

3797. Do you apprehend that, in consequence of the greater cultivation of indigo, and the extension of indigo manufactories, a smaller amount of British capital has been remitted from India of late years than had been previously; is it not retained in India for the purposes of obtaining a large interest rather than remitted in gross to England, as it used to be formerly?—I do not know; that is a question to which I have not much turned my attention; that is a matter that would require a little consideration. I have seen considerable sums coming home of late, and it is very possible, and exceedingly likely, that large sums may also have been retained. I am aware that considerable sums have been allowed to remain there, tempted by a higher rate of interest.

3798. Is it not more the practice now than it used to be to leave the fortune which may have been accumulated in India, and to remit the interest, than to remit the whole?—I should think not; that has always been very much the case. Until the recent unhappy occasion, confidence stood very high; I refer to the failure of the house of Palmer and Company.

3799. You have not been in any other part of India than Bengal?—No, I have not, to reside.

3800. When did you leave India?—In the year 1816.

3801. Is not the quality of the indigo now grown in Bengal very much improved, as well as increased in quantity?—Yes, it is decidedly improved and increased.

3802. Before it was cultivated by Europeans, was it not of inferior quality to any other?—Yes; a very inferior article.

3803. Is there any now grown in any other part of the world superior to that?—No, decidedly not.

3804. Do you apprehend that the quality of the indigo weed has been improved of late years?—No; the manufacture has been improved.

3805. In point of fact, there are no such persons as European indigo planters?—There are in some parts of the country, where they possess the bullocks and ploughs, and hire the ploughmen, in the regular way that a farmer does in his cultivation here.

3806. The ploughmen are natives?—Yes.

3807. Are they servants of the Company, or individuals under licence from the Company?—The European planters are individuals under licence

3808. Do you know the number of Europeans who are em-

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ployed in the cultivation of indigo throughout the country? —I do not; I should not think they exceed 500 to 1,000 persons.

3809. Have any of those persons who cultivated indigo on their own account leases?—I fancy they have leases in the names of their servants; that is the way in which they usually manage any thing of that kind; where they cannot do it directly, they must do it indirectly, which places them at the mercy of their servants.

3810. It would be an advantage to them to be able to hold the same lease in their own names?—No doubt it would.

3811. Are you aware that they are now in possession of that advantage?—I am aware that they have been very recently.

3812. Is indigo liable to great injury from fluctuation of season?—Very much so; it is liable to great casualties.

3813. Has that liability been diminished by improved modes of culture?—I should hardly think that at present it has. That the aggregate production of the successive crops at large has been rendered more equable upon the average, in consequence of its greater extension over a variety of soils, in some greater variety of climate, I think it exceedingly probable; but that any material improvements have taken place in cultivation I hardly imagine.

3814. What does it chiefly suffer from?—In the first instance, the great difficulty, in the cultivation of indigo in the lower provinces, is the want of rain to sow in proper season; if it is not sown in the proper season, it will be overflown before it is ready. A subsequent and greater overflowing usually takes place from the end of July to the middle or end of August.

3815. Do you not therefore apprehend, that if Europeans had a more permanent interest in the cultivation of those lands than they have now, those chances of injury from seasons would be diminished?—It is possible; I think they would improve that part of the land which is out of the reach of casualty of that description, and appropriate the remainder more judiciously. The agriculture of India at present is altogether miserably defective, from the extreme subdivision of land and the want of accumulated capital. There are very few ryots who have any capital of consequence.

3816. Do you not also think, that such an increased interest on the part of Europeans in this land would rather lead to the adjudication of those undefined claims you have spoken of as existing among the natives, than to an increase of them?—Undoubtedly; that it would lead to their adjustment by compromise and otherwise. Europeans, in general, are not fond of litigation in that country.

3817. Are not the implements of husbandry used in the culti-

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vation of indigo of a more simple and less expensive kind than are required for the cultivation of sugar or of cotton?—Yes, I should think they are; the land, as at present cultivated, is cultivated with the same instruments for all productions. What improvements European capital, skill, and talent might introduce, it is impossible for me to foresee. I think it possible they might ere long use more complicated instruments in manufacturing and cultivating indigo.

3818. Independently of the slowness of return in the case of sugar or of cotton, the superior descriptions of the implements of husbandry would require a larger expenditure of capital than for the cultivation of indigo?—Yes; there must be more expensive implements and buildings for sugar and other articles.

3819. You have stated that you thought the land was in many instances overtaxed; have you not found that the burthen of taxation was less felt in those parts of the country in which indigo was cultivated?—I think it would be least felt in those parts of the country which were most improved, and those are most improved where Europeans have had most intercourse and connection with the natives, and particularly in indigo.

3820. Is the cultivation of indigo carried on in that part of the country not under the perpetual settlement?—Yes, it is in the new provinces to the westward; but I believe it is now rather leaving that part of the country.

3821. Have you had any opportunity of seeing Surat cotton?—I have.

3822. Is that not considered superior to most which grows in India?—It is considered superior to Bengal. But the fine Dacca muslin is manufactured in Bengal, which we have been totally unable to equal in England.

3823. Is not the cotton which produces the Dacca muslin grown only on a tract of ground about forty miles in extent by three in breadth?—I have heard that; but I have heard that questioned very generally; I do not know the thing to be either true or false.

3824. Do you know what the peculiarity of the soil of Dacca consists of?—I do not.

3825. With how many different ryots did you contract for the furnishing the indigo you manufactured?—A vast number. I think from five to ten begas a ryot would be to the extent of their average cultivation.

3826. When you state that you had under indigo cultivation 100,000 begas, do you mean that the ryots with whom you contracted possessed that extent of country, or that the indigo was cultivated on that extent?—Indigo was actually cultivated probably to that extent of land; it was not in one part of the country, but distributed in various patches.

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3827. The ryots with whom you made your agreements possessed a much larger number of begas?—Yes.

3828. Did you ever find any difficulty in enforcing your contracts with the ryots?—I have found difficulty in enforcing them.

3829. Had you any other remedy but that of resorting to the courts?—None.

3830. Are there any instances in which ryots let lands to different persons?—Frequently.

3831. Are you aware of measures being frequently adopted for forcing ryots to cultivate indigo?—I have heard of circumstances of the kind, but I am not acquainted with any thing of that nature myself.

3832. Do you think that was a general practice in the districts where indigo is cultivated?—I should think not.

3833. From your observations, should you decidedly say it was not so?—I should.

3834. Down to what period?—From 1807 to 1816.

3835. If that practice occurred, in what manner would it be executed; who would force the ryot to cultivate; the Zemindar?—The Zemindar frequently exercises an influence over his ryots: and sometimes an European, like any other man, probably has a ryot in his debt, and he teazes and threatens to prosecute him, and thereby endeavours to force his cultivation in the way he desires.

3836. Might it not be done also by the influence of the Zemindar over the ryot?—Yes.

3837. It is contrary to law?—Yes.

3838. The ryot has by law a power to cultivate his land as he pleases?—Yes.

3839. Does not the Zemindar frequently let out his land to two or three different persons, who have subordinate authority under him?—Yes, he does.

3840. In those cases are the ryots more oppressed than under the Zemindar in chief?—It depends so much upon the personal character of the parties that I cannot say decidedly.

3841. All those persons must obtain a profit independent of the Zemindar; the Zemindar, and then the farmer under him?—It frequently becomes a question whether the ryot is to be plundered by the officers of the Zemindar, or to pay the farmer, who gets it in the shape of a recognised additional rent.

3842. By what means did you induce the ryots, with whom you were concerned, to cultivate indigo rather than any thing else?—Nothing but the advantage to themselves.

3843. Would not the mere circumstance of the obtaining an advance for that produce, rather than any other, induce them

to cultivate it?—The facility with which they get money has, no doubt, some influence. 11 May 1830.

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3844. You would not have advanced money for any other cultivation?—No.

3845. When you speak of the cultivation of indigo beyond the lands of Bengal, in what manner is the revenue raised upon the indigo in those countries; the revenue in chief?—The revenue in chief is levied from the Zemindar in the western provinces, there being no permanent settlement. The land is usually given in lease, in preference to the person who has hereditary zemindarry right.

3846. Is not the revenue, in some instances, on a valuation of the produce?—I believe the Commissioners for the Ceded and Conquered Provinces have been in the habit of letting the lands for terms of years on some footing of this kind; but this I do not know personally.

3847. Did you, in many instances, lose the advances you had made to the ryots?—Frequently.

3848. Of the quantity of land under indigo cultivation, have you any means of stating what proportion is held by Europeans on lease in the names of natives, and what proportion is cultivated by ryots, those ryots contracting to furnish the produce?—I think a very small proportion can be held by Europeans on lease.

3849. Are you aware that those Europeans who have held those leases have made greater profits than those who have not?—I should think not; I do not think it is ever an object of profit. The most profitable cultivation is through the ryot, I apprehend.

3850. Then the object is security?—Yes, to prevent the contracting bad debts is one material object.

The witness is directed to withdraw.

Sir THOMAS STRANGE is called in, and examined as follows:

3851. You were a Judge at Madras?—I was.

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3851. How long were you a Judge at Madras?—I was there in two distinct capacities; first, as Recorder, I was the bearer of a charter in the year 1798. The object of the charter was to displace the court of the mayor and alderman that had existed at Madras for several years previous, and to substitute for that a court that was called the Court of the Recorder, composed of the mayor and aldermen, with the Recorder to preside, which Recorder I was. This court continued about three years, when it was replaced by a Supreme court, established in the year 1801, on the plan of the Supreme Court in Bengal. Under the

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3853. What is the extent of district over which you exercised this jurisdiction?—I can scarcely tell in point of miles. It was over the town of Madras, with the Black Town, and Triplicane, to an extent beyond of some miles, including a number of adjoining villages.

3854. Was the court also a court of appeal from inferior courts?—No, not at all, in my time. I am not sure whether, subsequent to my retirement from office, there has not been an Act of Parliament, giving a limited jurisdiction to the country courts over the British subjects spread over the territory, from the exercise of which there lies an appeal to the Supreme Court; but, subject to this, there lay no appeal in my time from any court whatever.

3855. Of what description were the practitioners in your court, attornies as well as counsel; were they exclusively European?—They were exclusively European. In the Mayor's Court there was but one description of practitioners; they practised both as barristers and solicitors; and the Court of the Recorder adopted them in that compound character. They continued to practise both as barristers and solicitors till the establishment of the Supreme Court. Then the profession was divided, and an option given to those gentlemen to elect to be barristers or solicitors; but they were all Europeans.

3856. Upon the whole, was there an increase or diminution of litigation during the period you had an opportunity of observation?—It increased considerably, calculating from the time of my first arrival in India to my departure. There was a progressive though not constant increase, sufficient to employ our time abundantly.

3857. To what circumstances do you attribute that increase of business?—To the change in the judicature; the new judicature attracting business, I should think, exceeding what had existed antecedently.

3858. Do you mean to say there was an increased confidence in the new judicature, which attracted the attention of suitors?—I should certainly say so, speaking with becoming reserve.

3859. Are you aware of any improvements that might be introduced into the system of administering the law in the Supreme Courts in India, and more particularly in that of Madras?—No, I cannot say that I am aware of any particular improvement of which it is susceptible, except in diminishing the expences which attend litigation in that court. If the Judges can succeed in doing that, it would certainly be a considerable improvement.

3860. Can you state whether it was much less expensive at Madras than in the other presidencies?—I think probably nearly on a par, or rather less than in Bengal. The first Judges of the Supreme Court, as well as myself as Recorder, were particularly enjoined by the Court of Directors, and by the local government, to make the administration of justice as economical to the suitors as possible; especially with regard to the establishment of the court, in the appointment of officers and salaries; and that injunction was attended to, I think, as much as was consistent with the respectable administration of justice.

3861. Did you administer justice on the principle of the English law?—Generally so; but with regard to the native, he was entitled to have administered to him his own native law, whether Mohamedan or Hindoo, according as he was Mohamedan or Hindoo, on subjects of inheritance and contract; but subject to that, the British law, modified to a certain degree, was administered to all.

3862. You being called upon to administer justice to the natives of either religion, what was the course you pursued for acquiring the practice of the law which you were called upon to administer?—The ordinary course has been to have native officers, Pundits for the Hindoos, and Moolvies for the Mohamedans; and to resort to them for information on points where difficulties arose. It became a question, on my arrival at Madras, how far it would be proper we should adopt officers of that description, which never had existed in the Court of the Mayor and Aldermen; and upon that question I was against adopting any such officers. I was not governed entirely by the consideration of economy, but from an apprehension I had conceived that they were but blind guides, and that we should be better without them; and, in point of fact, we had no officer of that description, neither in the Court of Recorder nor in the Supreme Court that succeeded to it; for the Judges of that court adopted the idea I entertained, that we should have a better chance upon the whole of arriving at conclusions on Mohamedan and Hindoo law otherwise than by having persons of that kind to assist us; and in answer to the particular question your Lordship has put to me, as to the course adopted, not having officers of that description, the course I took, and which was eventually pursued more or less, was, when a question on Hindoo law arose on which I had a difficulty, I resorted for information upon it to every part of India. I had correspondents in every part of India, and had persons whom I could trust to resort to—Europeans, friends of my own, and others; and I was in the habit of addressing myself to the different presidencies, stating a case without naming parties, or giving an opportunity of knowing what the cause was to which the inquiry

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referred. I was in the habit of seeking information in that way on the particular points that arose in the course of any cause; and according to that information, having collected as much as I could, and digested it in the best way I could, I extracted, according to the best of my apprehension, the law upon the point in issue, and so administered the justice of the cause.

3863. From subsequent experience of the operation, had you reason to feel satisfied that that course proved as effectual for the ends of justice, and as satisfactory to the natives, as if the regular appointment of native officers learned in the law had been adopted? — Yes, I certainly think so. If I had not thought so, I should probably have proposed the appointment of officers of that description. I was in the constant habit, independently of causes depending and questions arising, of corresponding with such of the Judges in the Company's Courts with whom I was particularly acquainted, and of obtaining from them, from time to time, the answers given to them by their Pundits, in causes depending before them. Those answers were transmitted to me by those gentlemen from different parts of the territory depending upon the government of Madras, and they occupied my attention as they reached me, and were the means, no doubt, of assisting me in acquiring the necessary knowledge of the native law. I speak now more particularly of the Hindoo law. With regard to the Mohamedan law, we had not much to do with that at Madras, nor did I often receive reports on points of Mohamedan law from the interior; but by this process I obtained in time a considerable number of the opinions of Pundits. They were given independently of any cause depending in our court, and so far I could trust them, which I could not perhaps have done implicitly under other circumstances.

3864. Have you ever had occasion to consider, from the different questions and principles of native law that had been brought under your view, whether it would be practicable to frame a distinct code of native law for the assistance and guidance of English Judges?—I do not know how to answer that question. No doubt ingenuity and diligence might be employed in forming a code of that nature. Materials exist for such a code to a certain extent in the English language. There have been able translations of authentic treatises on some of the most important subjects of Hindoo law; and the Sanscrit language is beginning now to be so extensively known among the Company's servants in India, that there would be little difficulty in selecting persons who would be competent, from original sources, to compile what might be fairly deemed a good practical authentic code, that might be depended upon; and would be an useful guide, no doubt, in the administration of the native law, in the King's and the Company's courts. Such a work would need, I should think, to be the result of

combined labour, and a very accurate review, by very competent authority, before it was promulgated and confirmed by the government of the country. It would be a work of time, a work of labour and learning, but not an impossible work.

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3865. Had you occasion, from your observation of the conduct of the natives in judicial proceedings, and of their general capacity, to form an opinion as to the practicability of introducing the trial by jury amongst them?—I never formed an opinion upon that subject. That idea arose subsequent to my retiring from office, and I never have formed a decided opinion upon it. I should have doubted about it, I think, had circumstances led me to deliberate upon it.

3866. When you say there are materials existing for forming such a code, do you allude to the labours of Sir William Jones and Mr. Colebrooke, or any other?—I allude to those, but I allude more particularly to the original treatises. I allude to Sir William Jones's Translation of Menou, and Mr. Colebrooke's Translation of the Treatises on Inheritance, and Mr. Sutherland's Translation of Original Treatises on Adoption, with another Treatise on Inheritance by Mr. ——— of Bengal. Those are all authentic materials. There is, in addition to those, a Digest, which is familiar to every one who has had any thing to do with Hindoo law; a great mine of Hindoo law, but not, perhaps, so useful a book as it was intended to be.

3867. Were there any institutions under the Madras presidency at which natives might acquire a knowledge of Mohamedan and Hindoo law?—No, I do not think there were. With regard to the Mohamedan law, we had very little to do with it at Madras, though there are a great number of Mohamedans settled at Madras, but they are in circumstances that do not lead them to be suitors in our courts. I scarcely recollect instances of above two or three suits in our courts, on the part of Mohamedans.

3868. In what manner do the pundits under the presidency of Madras obtain a knowledge of the Hindoo law?—There were pundits attached to the Sudder Adawlut, and others; they obtained it by their own diligent inquiry; they were learned natives.

3869. There were no colleges?—No; there was a college for languages, I think, more than for law; it was an infant institution in my time. I think it was occupied more in the attainment of the languages of that part of India than of the law, though they have pundits attached to them. I know I was in the habit sometimes of consulting them.

3870. Did the Company's judicial servants, with whom you were in the habit of consulting on legal subjects, appear to possess considerable knowledge?—I cannot answer that question from my correspondence with them. I did not much enter into the questions upon which they were in the habit of submitting

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to me the answers of pundits sent to them in the course of their judicial inquiries; but I do not think there were many of them who had made themselves much masters of the subject, independently of the pundits.

3871. They had no peculiar opportunities afforded to them of acquiring such knowledge?—No; there was one person with whom I was intimate during all my time, a gentleman of the name of Ellis, who died soon after my time, who had the principal charge of that college. He had taken great pains to inform himself of Hindoo law, and was a considerable master of it; but I do not know any others who were distinguished by their knowledge of Hindoo laws among Europeans.

3872. Do you think it would be possible to place Europeans and natives on the same footing in the provinces, and to make them amenable to the same courts?—I certainly think the general administration of justice in the provinces ought to be according to the law of the natives exclusively.

3873. To what law, and to what courts, would you make the Europeans amenable who might be resident in the provinces?—There might be constituted courts in the interior, throughout the provinces, corresponding with the Supreme Court at the presidency; but then they must be composed of different persons as Judges, to administer the English law to Europeans as well as the native laws to the natives. In the actual state of things, I do not see how the same law can be conveniently administered to the one and to the other description of persons.

3874. Would it not, in cases of a civil nature, be a very great hardship upon the natives to oblige them to come into the Supreme Court to have their case decided by the European law?—To be sure it would.

3875. Do you think it would be advisable to extend the jurisdiction of the Supreme Court into the interior?—By no means.

3876. In the event of Europeans being in large numbers resident in the provinces, would not necessarily a very great practical difficulty arise in determining to what law and to what courts they should be amenable?—The difficulty exists, in proportion as the British subject is dispersed throughout the interior. In point of fact, they are under the jurisdiction of the Supreme Court, and must resort to that court. In the actual state of things, the inconvenience is not felt at Madras, the Europeans of the interior there being comparatively few, and having but rarely any occasion to resort to the courts.

3877. Are they removed to any great distance from the presidency?—Not great; the number is very limited; they are not in a situation to be litigant parties. The inconvenience at present is not felt at Madras.

3878. Do you apprehend it would be practicable to carry on

the business of the Supreme Court at Madras with a smaller number of Judges?—I think it would. I think the justice of Madras might be administered efficiently and satisfactorily by a single Judge, subject to the contingency of illness, or of death; that would be a matter to be considered. An arrangement might be made for contingencies of that nature; but, subject to these, I think an able person, carefully selected, would be sufficient, without the assistance of associates. I incline to that opinion.

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3879. You were understood to say, that much more confidence was placed in the Recorder's Court than had been placed in that of the Mayor and Aldermen; did it appear to you that the Recorder's Court possessed as much confidence as the Supreme Court when it was established?—No, I cannot presume to say that; I have not the least hesitation to say that the Court of Recorder possessed the confidence of the natives far beyond what the antecedent Court of Mayor and Aldermen had done. The objection to the former court was, that it was composed of the Mayor and Aldermen, though with a Recorder to preside. If there had been no Mayor and Aldermen, the Recorder would have been sufficient in my opinion for the administration of justice; but there was such a counteraction on the part of the Mayor and Aldermen, that it became indispensable to displace them, and to substitute a court of a different description. Then it occurred naturally to the authorities at home to establish a Supreme Court there; but I think the business of the court, always presuming that a very competent person was appointed for the purpose, might be satisfactorily administered by a single Judge.

3880. Did your situation at Madras afford you opportunities of forming such a judgment of the native character, as to enable you to form an opinion of their competence to fill high situations in the revenue and judicial departments?—They possess a very high intellectual capacity.—I speak more particularly of the Hindoos, with whom I have been more conversant.

3881. Would it not be advantageous to establish a college in some part of the Madras territory, at which the natives of higher rank and property might obtain a more perfect and more extensive education, corresponding with that law, than they are enabled to do at present?—Yes, I should think so, certainly.

3882. Is not the law, as now administered in the provincial courts, in a considerable degree influenced by European Regulations?—Yes; I believe they act principally upon Regulations that have been formed by the Governor-General for Bengal, and the Governor and Council for Madras, under the authority of Acts of Parliament. The practice of the provincial courts in the provinces is certainly regulated entirely by ordinances of that nature.

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3883. Do you conceive the Mohamedan code, as administered in the provincial courts, is susceptible of a larger infusion of the principles of the English law?—The Mohamedan law has, in point of fact, been ameliorated by our principles and our feelings. If it had not, it is not a law which would be fit to be administered, except among Mohamedans; they may be partial to their own law.

3884. The Mohamedan law had never existed to any great extent in the territories of the Madras presidency previous to our assumption of power?—I apprehend not, for the Mohamedans had not extended their power in the Peninsula as they had done in the Bengal provinces. There they were the ruling power; but that was not the case to the extreme southward at all, I think.

3885. Is property so distributed, as far as you are acquainted with it, under the Madras presidency, as to afford any number of persons who would be capable of becoming candidates for revenue and judicial situations?—I have no doubt that out of the population of Madras there might be native individuals who might be selected capable of acting in situations of that nature. I speak more particularly of the town of Madras, and the jurisdiction of the Supreme Court, comprehending a good many villages in the neighbourhood.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 13° Maii 1830

The Lord President in the Chair.

Sir THOMAS STRANGE is called in, and further examined, as follows:

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3886. Has it occurred to you that any improvement can be introduced into the judicial administration of the provinces?—Yes, it has; it occurred to me upon a reference made to me some months ago, previous to the appointment of this Committee, by a noble lord, whose name I am at liberty to mention. When I had the honour of being here the day before yesterday, I had not obtained that liberty, but I have subsequently obtained it; it was my Lord Wynford, who addressed a letter to me, which I received upon the eve of my leaving Bath for Scotland, in the month of January last; and in the course of my journey I turned the matter in my mind, and replied to his Lordship's letter; and I am in the direction of

your Lordships, whether I should state in any general way what my suggestions were to Lord Wynford, in answer to that reference to me, or whether it would be your Lordships' pleasure that I should use the means of doing so, submitting to your Lordships in writing an extract of the answer I addressed to Lord Wynford upon the subject of his note to me.

Sir Thomas Strange is informed that the Committee are desirous of receiving in writing his observations upon the subject.

The witness is directed to withdraw.

STEPHEN WILSON, Esq. is called in; and examined as follows:

3887. In what line of business are you?—I was a silk manufacturer.

3888. Are you still in the trade?—My sons are in the trade; I have in a great degree retired from business.

3889. For how many years were you engaged in the trade?—Very near forty years.

3890. Were you, during that period, an extensive purchaser, both of Italian and of Indian silk?—Yes.

3891. What proportion did your purchases of Indian silk bear to your purchases of Italian silk?—They very much varied, according to the prices and the different purposes to which we could apply them.

3892 Has the quality of Indian silk varied during that period?—Considerably.

3893. Has it improved?—I think it is worse than it was.

3894. Has that deterioration been gradual?—I think it has, of late.

3895. Is there no particular quality of Indian silk that has improved of late years?—I think none, of late years.

3896. Did you use Indian and Italian silk in the manufacture of similar articles?—I think I may say that I have used them both in the manufacture of almost every article in the silk trade, except ribands.

3897. Do articles manufactured of Indian silk bear a lower price than those manufactured of Italian silk?—Generally.

3898. Did it appear to you that there was some natural deficiency of quality in the Indian silk, or that a different mode of preparation could make it equal to the Italian silk?—I think that the quality, as well as the first reeling from the cocoons, have been defective.

3899. It was rather, then, in the manufacture of the silk in India than in the natural quality that that inferiority existed?—

13 May 1830. I think more in the manufacture of the silk than in the original quality of the same kinds.

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3900. Is there much variation of kinds in Indian silk?—A great deal of difference.

3901. Does that variety exist in the several sorts of silk exported from the same ports of India?—I think there is good and bad from almost every district of India.

3902. Does any large quantity of silk come from any part of India except Bengal?—I cannot say.

3903. Can you describe the peculiar quality of Indian silk which makes it inferior to that imported from Italy?—I think the want of staple and the want of cleanness are the two principal faults.

3904. Have you ever made any inquiries relative to the mode in which the silk is produced in India?—Some years ago I took very great interest on the subject, and made many inquiries.

3905. Have the goodness to state the result of those inquiries?—The result of those inquiries was to convince me that the principle upon which silk is obtained in India tends to prevent the improvement of the quality; and also the quantity has been such that it has injured the quality. I mean that there has always been such a quantity wanted, and the demand has been so great, that it has prevented paying requisite attention to the quality; for there cannot be so much good silk produced as there can of the inferior sorts. I have a copy of a letter which I have brought with me, which, if I may be permitted to read, will throw some light upon that subject. I have preserved it as a valuable document on the subject of silk in India, as it led me to see the reasons why it was not equal to Italian silk. It is a letter from one of the Company's agents in the East-Indies upon this very subject, written in the year 1796, by Mr. Atkinson, of Jungapore. "The major part of the cocoons produced by the large annual worm are very superior to those from either of the latter description of silk-worm, and may in general be reeled into silk of a quality that will bear being thrown into organzine; yet still a very considerable portion of the annual cocoons is frequently very imperfect, not better than and scarcely to be distinguished from Decey cocoons. It is not difficult to trace the origin of the annual silk worm, as its introduction into these provinces does not exceed the period of eighty or ninety years; and on the most particular inquiries, I learn from every quarter that this worm was first cultivated at a village in this neighbourhood, and that it was originally brought by a dealer in elephants from the country to the eastward to Tipperah or Sylphat. This account has been invariably the same. Hence I presume that the annual silk-worm is a native of the countries bordering on China, or perhaps of the western provinces of that

empire. I have discoursed with some cocoon cultivators advanced in years, whose fathers had the first breed of this silk-worm, and they informed me, that it is so much degeneratod as not to bear any comparison to what it formerly was. They even assure me that the cocoons do not yield much more than one-half the quantity of silk that they in their youth remember them to have done. The causes which have operated towards the degenerating these cocoons, as well as of the Decey and China species, I shall endeavour to account for. The real Decey cocoons are next in quality to the annual; but I have reason to believe that in their aurung very few of this description are free from adulteration, by crossing the breed with the China or Madrassie worm, which, from the best information I can gain, has very materially debased the quality of the Decey cocoon. The period when this species of silk-worm was introduced into Bengal is very remote, on which account it is difficult to trace its origin; yet, from what I have heard, I think I am warranted in concluding that this, as well as the annual worm, originated in China. In favourable bunds, a portion of the Decey worm may be convertible into silk fit for organzine, but it will require a careful selection to procure even a part sufficiently good for that purpose; and for the reasons adduced in the latter part of the second paragraph, the Decey cocoons will with difficulty be applicable to any purpose. The China or Madrassie cocoon is at present inferior to either of the two former species of cocoons. I believe it was first introduced into these provinces by a former resident at this station, in the year 1780 or 1781; but having been delivered to the native cocoon cultivators, the cocoons' quality degenerated, owing to carelessness and improper management of the worms. The species was again introduced by the present superintendent of the silk investment, Mr. Frushard; and whilst under the immediate inspection of this gentleman, I have heard that the cocoons were very good, both in respect to produce and the quality of the silk. I can speak with more precision as to the quality of the cocoons of what I believe was the third importation of the China silk-worm, the eggs of which were produced from Canton by the late Colonel Kyd in the year 1788, and being committed to my charge were cultivated by me for a considerable time, during which period the cocoons continued very good, and from the care which was taken in the points of food and management they visibly improved every bund. In respect to the quality of these cocoons, which were converted into silk by my predecessor on this station, I shall take the liberty of quoting the opinion of the broker to whom a sample of this produce was submitted in England by the Honourable Court of Directors. This gentleman says, 'If the sample of raw silk in imitation of that from China was made from six to eight cocoons, it would be quite fine enough for all the uses of China silk in Europe.' It is excellent silk,

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and well reeled. This opinion was transmitted under the following observation: 'Enclosed are the remarks of a very judicious broker on the muster of silk sent of the China assortments, that it may be seen how much it is worth culture. I have ventured to intrude these particulars to demonstrate that the monthly China cocoon was originally excellent, yet, when this breed of silk-worm was committed to the charge of natives, it almost immediately degenerated to the present standard of China or Madrassie cocoons, which of late years have been so bad as to induce my predecessor, as well as myself, to endeavour to prevail on the natives to give up the culture altogether; but these efforts have been ineffectual, because this species possesses various advantages which would be really valuable if the cocoons were good. These advantages are: first, that the China worm, after quitting the egg, completes his cocoon in ten days, or one-fourth less time than the Decey monthly worm, consequently a shorter attendance and a less proportion of food are requisite: second, this worm will feed on harsh and bad mulberry leaf, which the Decey worm would reject: and, third, the China worm is much more hardy than the Decey species, in bearing the vicissitudes of the weather. These points are considered by the natives of so much importance, that the China silk-worm is the favourite in their aurungs; and in endeavouring to engraft the advantages thereof in the Decey worm, the quality of the latter is greatly injured. The causes to which the degeneracy of our cocoons may be ascribed are various. First, improper food, which point need not be enlarged upon, as the superintendent of the silk investment has frequently noticed the evils resulting from the rearing the silkworms in the dwindling kind of mulberry leaf generally appropriated to that purpose in this country.' My private opinion is, that they have not got the proper mulberry in India. In Italy, the mulberry which produces the best silk is the white mulberry; and from experiments I have tried in this country, where I have reeled some of the produce of the silk-worms fed on the white mulberry, it is so very different from that of the worms fed on the black mulberry that I have reason to believe that the difference arises from that. 'Secondly, the improper management of the silk-worm by the native cocoon cultivator has in my opinion tended greatly to debase the quality of our cocoons. It is not necessary to declare the absurd and superstitious practices in use among the natives, although it is certain they are very prejudicial. Moreover, in the general situation of their houses surrounded with trees and jungle, the silk worms cannot have the benefit of a free circulation of wholesome air; and they are subject to noisome smells arising from stagnant water and other nuisances, which, to a person acquainted with the economy of the silk-worm, are well known to be very pernicious to that insect. But above all, I cannot help considering the

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present mode of conducting the Company's silk investments in the aurungs as having materially conduced towards impairing our cocoons. Advances being made for an article, the valuable part whereof bears so small a part to the invaluable part of a given weight or number of cocoons, no argument is necessary to prove that the quantity, and not the quality, is most productive of present advantage to the cultivator; for though he may pay some attention to a portion of his cocoons, for the purpose of delivering the same as a sample for fixing the factory prices for a silk harvest, yet no sooner are their prices established and published, than it becomes his immediate interest to distribute the mulberry plant he can command to as many silk-worms as the same can possibly keep alive; and if more care and a larger proportion of food are bestowed on a part of his worms, the cocoons thereof are invariably designed for private trade, and the inferior are only delivered in liquidation of his balances. Although it is very certain that the existence of the whole crop originated in the previous advances made to him on account of the Company, yet the resident has no means of preventing the practice. It is true that the evil will in some degree revert on the cocoon cultivator, because the silk agent must necessarily lower his prices as he finds the cocoons decrease in value; but few or none of the lower order of natives being capable of sacrificing present interest to any prospect of future gain, the silk-worms of these provinces have been for many years gradually declining, and I am afraid will continue to decline, until some remedy can be applied to correct the evils above mentioned. Previous to the introduction of the filatures, the profits of the silk cultivators depended immediately on the excellence of the cocoons, as they must be reeled into silk before the harvest could be carried to market. In this case it was the especial interest of the owners to produce the best cocoons in their power, and to guard the breed of silk-worms from degenerating. But since the establishment of filatures has enabled them to put off very bad cocoons, they have become remiss and negligent; and the more minute, yet still essential precautions and attentions necessary to attain perfection in cocoons, have from disuse, it seems, been entirely forgotten. It being very certain that the above cocoons do not afford silk agents any room for hoping to meet the expectations of the Honourable the Court of Directors on an extensive scale, the improvement, therefore, of the breed of silk-worms becomes a consideration of importance, which I am afraid cannot be effected but by the introduction from the other countries of a more perfect race than we at this time have in Bengal. Supposing it practicable to procure a species of silk-worms superior to those we at present possess, the mode which most obviously occurs to establish a general culture thereof is to distribute the same throughout the cocoon villages of the different aurungs;

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but I greatly fear that the carelessness and improper management of the natives would render this mode ineffectual, as indeed is evident in the case of the China or Madrassie cocoons. The method which next presents itself is the establishment of breeding houses, or nurseries, under the inspection of silk agents, for the purpose of rearing cocoons for supplying the filatures. From attending to the subject for several years, I am convinced that this method might be carried to a considerable extent; yet still the expence requisite for constructing breeding houses equal to the furnishing an extensive filature with cocoons renders this mode exceptionable; and moreover, the circumstance of insuring a sufficiency of food for the silk-worms would create a necessity of distributing the trading houses throughout the aurungs, and consequently remove the greater number of them from the personal care of the agents; in which case, although healthy situations might be chosen, yet I apprehend it would be equally difficult to guard against imposition, and prevent the quality of the cocoons from being impaired by want of care and judicious treatment of the worms especially. They must necessarily be fed on such mulberry plant as the natives are in the habit of cultivating. Under the presumption that it is very possible to obtain a renovation of our breed of silk worms, I take the liberty of offering my opinion on the mode of conducting the business that appears to me the least objectionable. The method I would propose is the introduction of breeding-houses, for the purpose of producing lunch or silk-worms' eggs alone, there to be distributed to the cocoon cultivators at lower rates than the market prices; or, in other words, that it be made more to the advantage of the Bussoonah to deliver the whole of his harvest of cocoons than to reserve any part thereof for seed. By this mode, and by due care and attention at the breeding-house, I think the quality of the original cocoons might be preserved, and even improved; and under the above circumstances, as the Bussoonah could have no motive for reserving lunch, the cocoons would never pass beyond the first stage to degenerate. I am further of opinion, that the expence of an establishment of this nature would be very trifling; and I think that the price to be paid for lunch by the cocoon cultivator, considerably below the market rates, aided by silk from inferior cocoons which it might not be eligible to retain for breeding, would nearly, if not quite, defray the charge of the breeding-house, to which the use that might be made of the cocoons which the moth had perforated would also contribute. To ascertain the countries from whence the best breed of silk-worms is procurable, I am unalterably of opinion that nothing more is necessary than to know where the best raw silk is produced, for I have no doubt that the most perfect race of silk worms will be found there. Those heretofore produced from China were natives of the southern provinces of that empire. As I believe the Honourable Company's raw silks

are obtained from the northern provinces, it may fairly be assumed that their situations are possessed of superior cocoons; and as I have the fullest reason for believing that our annual worm is from the western borders of China, I think that efforts from the eastern districts of the Company's provinces might be successful in effecting a renewal of the breed; and if what I have heard on the subject is true, this would be of very great importance. The Italian cocoons are beyond comparison superior to those of this country. In the course of the last season I received a parcel of eggs of the Italian silk-worm from Europe, which, to my great mortification, all perished. Along with these were sent two cocoons as a sample; and although the culture of the silk-worm was not unknown to me before I left Europe, I could not examine these cocoons without the utmost astonishment. I shall only observe, that with such cocoons I should not have a doubt of obtaining every perfection that raw silk is capable of. I take the liberty of mentioning that the above was written several months ago; but I delayed submitting it to your perusal till I had verified, by the test of experiment on the November and January bund cocoons, my ideas how far it was possible to manufacture silks equal to the organzining operation. From the uncommon scarcity of mulberry plants, owing to the inundation in October last, the cocoons of the above bunds have been very indifferent, especially those of the annual January bund, which could hardly be distinguished from the produce of the monthly worm. Repeated attempts were made by the most experienced spinners to reel silk fit for the fabric of organzines from these cocoons; but after every possible personal attention, I found that although silks might be made to look well in the skein, yet on a minute examination they were so loaded with fine waste that I had not a doubt of the ruinous consequences of submitting such silks to the operations of the mills. Indeed, in general these cocoons were of so flimsy and weak a texture, that a large portion of them were not equal to the formation of the common letter A silk, nor could they be reeled into that letter without considerable loss of produce; besides which, the silk was of very indifferent quality. On the whole, I have at present no reason for indulging a hope of being able to fulfil the expectation of the Honourable Court of Directors, until a species of silk-worms more capable of yielding good silks may be introduced into this part of the country."

3906. Are you aware whether any measures had been adopted, according to the suggestions contained in that letter, for improving the breed of silk-worms in India?—I am afraid not, since Mr. Frushard, the gentleman mentioned, who went out to India and improved the quality, particularly of the Gonatea silk.

3907. Have you made any inquiries as to the quality of the

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3908. Do you know whether it is by nature the same plant? —I should suppose it must be the same; it came from China, and all silk originally came from China.

3909. Is the China mulberry a white mulberry?—I should think not. In Italy they have the black mulberry as well.

3910. Have you at any time received any further information on the subject of the culture of silk in India?—Upon the same points as referred to in that letter, I have.

3911. If you can give any further information upon the same point, the Committee would be desirous of hearing it?—I conceive one of the great evils is the purchasing the cocoons by weight. My opinion is, that it is possible to get as good silk from India as Italy can now produce; I can produce some cocoons raised in this country very good indeed.

3912. Can you state the relative prices of Indian and Italian silk, thirty-five years ago and now?—I think, since the time of Mr. Frushard's improvement, the Indian silk is deterioated.

3913. Can you furnish the comparative statement of prices at which you have purchased the Indian and Italian silk?—I am afraid that would furnish no criterion, for it has often been nothing but a gambling trade. The supply has frequently been unequal to the demand; then the prices went up enormously; and this has been one great cause of the deterioration of the Company's silk. Orders have been sent out for more silk than could be well furnished, and the consequence has been that the supply of the quantity was looked to, to the injury of the quality.

3914. The price then has not been a proof of the quality? —It has not. I happened by chance to hear from a friend, that the worm which produces that silk (*producing some cocoons of white silk*) was a different worm from that which produces the yellow silk. He procured me some worms; and I found that, instead of being a white worm, it was a black worm.

3915. Do you perceive any inferiority in that silk you have produced to that produced in Italy by a similar worm?—Not the least.

3916. Do you apprehend, from what you have understood, that climate does not materially affect the quality of the silk produced?—As the silk worms are all kept under cover in-doors, I cannot conceive that climate can make any difference. Wherever mulberry trees will grow I conceive good silk may be produced.

3917. Are they kept within-doors in India?—Yes.

3918. Will you state the measures which in your opinion will enable them to produce silk equal to that produced in Italy?—I think the breed of the worm being improved, the best breed being got, and proper attention to their food and to the reeling, would produce it equal to that of Italy.

3919. Have you at any time seen any sample of Indian silk which in your opinion was equal to that of Italy?—I think silk comes over for every sale that in point of quality is equal to that of Italy.

3920. Is that in small quantities?—In very considerable quantities; but owing to the way in which it is reeled it is very foul, and much inferior. I conceive there are four particular properties in silk, which are cleanness, evenness, staple, and quality. By quality, I mean bright and pale, soft and mellow, or harsh and hard. The greatest fault of all is want of cleanness, and that fault the East-India silk particularly has.

3921. Does that deficiency of cleanness apply to the best qualities of Indian silk?—Yes; little nibs upon the thread which prevent its being applied to the best purposes. This (*producing a sample*) is a skein of East India silk of very excellent quality; but it has the nib, which makes it what we call foul.

3922. Is that from want of attention in the reeling?—Yes.

3923. Have you a skein of Italian silk with which it could be compared in point of cleanness?—I have.

(The witness produces several skeins, and states the prices of them respectively to their Lordships.)

3924. In your opinion, is the natural quality of the Italian you have produced, which cost twenty-one shillings a pound, superior to that of the Indian silk which cost twelve shillings and sixpence a pound?—I think not.

3925. What gives it a greater harshness?—It may arise from several causes; from the warmth of the water in which they reel it, or from the bad food of the worm.

3926. There is no difference in quality?—I think the constituent principles of silk are all the same; let it be produced from what worm it will, its properties and quality will be owing to the mode of its culture, and in a greater degree to the difference in the manufacture.

3927. Is it not owing also to the difference of management of the worms?—If they are stinted in their food, very inferior silk is produced.

3928. Is not that the case generally in India?—I think it is.

3929. Do you conceive that arises principally from the want of integrity of the natives who conduct it?—From their aiming at quantity rather than quality, it being their interest to do so.

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3930. Does any method occur to you by which that might be obviated, by an interference of Europeans?—My opinion is, that it is of so much importance to the silk trade of this country, in its present state, to have quantity, that I should hesitate very much to deprive the trade of quantity, even to improve the quality.

3931. The inferior quality is wanted to be used in the manufacture of inferior articles?—We cannot improve quality without enhancing price, and in the present state of competition of the silk trade with other countries, it is China and Bengal silk which alone can enable us to compete with them.

3932. Is it the custom to mix different qualities together in producing the same article?—The price regulates in a great degree. In Italy the filatures descend from one generation to another; and they are so particular in the reeling, that the silk when it leaves the filature is sealed up, and never opened till it comes to the mill; they know the mark, and can rely upon it, and will often throw it into organzine for two per cent. waste without opening it, knowing they can always rely upon the quality.

3933. What is the difference of expence of freight from India to this country?—I cannot answer that question.

3934. There is ready market for the inferior qualities of silk, and has been for a length of time?—I think that since so large a quantity of Brussa silk (Turkey silk) has been introduced, the inferior Bengal silks have not found so ready a sale.

3935. Do you apprehend that it would cost more in India to produce the clean silk than it does to produce the silk in the state in which you have exhibited it to the Committee?—I have no doubt that to produce a fine clean silk they could not produce above two-thirds of the quantity that they could of the inferior quality; perhaps not more than one-third.

3936. Would not that materially affect the price?—As far as the expence of labour, the expence of the filatures, and the factory.

3937. Can you at all state the proportion which the price of labour on the silk bears to the total price?—No, I cannot.

3938. Is it not possible that carelessness in the workmen may produce a considerable proportion of that inferiority?—Principally; I think more probably want of skill.

3939. Has there been of late years any improvement in the machinery for reeling silk?—I have not heard of any in India.

3940. Has there been in this country or in Italy?—I have understood there was in this country; that Mr. Gibson had made some improvements in the reeling of silk. I conceive one

great defect in Bengal silk is what is called want of staple—want of strength in the thread, which I am of opinion is entirely from a defect in the reeling: and I am more convinced of this from an extract of a letter of July 1797, which seems to confirm that idea, that the silk was not sufficiently crossed—"Mr. Touchet, at Radnagore, desires to have a hundred sets of brass cog-wheels for the perfection of silk." It cost the Company a large sum for the consignment of this article, which was totally abandoned. It is to be feared the process of crossing, even by the simple process of the country, is neglected. It benefits the silk, but it is against the facility of winding. He is desired to report how they answer."—"Royaucalty, 15th September, 1787. I am not partial to the crossing machine; where cocoons are remarkably good, they may be of service; but there is seldom two bunds throughout the year that produce cocoons of stamina strong enough to resist their effects, and when this is the case the machines do more harm than good." In Italy, when the silk is reeled they reel two threads at once; those threads meet together, and are crossed round each other fifteen or sixteen times; then they separate again, and go to the reel, and form two skeins. Now, your Lordships must see immediately, that if there comes a nib or gout when it crosses so often it breaks there, consequently the thread cannot go upon the reel with those little nibs. What they call the staple is occasioned by the threads being thus crossed; it makes the fibres of the cocoons more compact together. The gum is of such a nature the hot water softens it, and makes the threads unite together, and makes a firm round thread; and in every process of the manufacture this first uniting together of the fibres gives staple, which it never loses afterwards. Now, that process not being enough made use of in India sufficiently accounts for the complaints we have of the East-India silk being of a soft nature, and not so firm.

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3941. Can you see, by examining the East India silk, whether that process has been performed?—I am afraid not, because it is of so fine a nature no glasses would enable us to discover it.

3942. Is there any other information upon this subject which it occurs to you it would be desirable to communicate to the Committee?—I am not aware of any.

3943. You have said there is, in your opinion, no difference in the quality of silk, from whatever worm it is produced?—What I meant to imply was, that the silk was of the same nature or property, a species of gum or resin, from whatever worms produced; but I conceive the quality must in some degree vary, from the food or the bad treatment of the worms.

3944. Do you conceive the silk from the Indian worm to be inferior to that from the Italian?—Yes, from want of attention to the food and the breed.

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3945. Do you know whether those improvements which you understood Mr. Gibson had lately made have been improvements by which reeling has been more effectually done, or by which manual labour has been saved?—I think it is an improvement of the quality in reeling.

3946. Is the mode of reeling you have spoken of as being so useful in Italy pursued here?—There is no silk grown in this country for consumption; only for experiment.

3947. Is not raw silk reeled in this country?—No; there has been, for experiment; but labour in this country is much too dear to reel it here; the freight and the carriage of the cocoons would also be too great an expence.

3948. The improvement Mr. Gibson has introduced in the reeling is not carried on in this country?—I believe it is more by way of experiment than in any other circumstances.

3949. Have Mr. Gibson's improvements been adopted?—I think they have been adopted abroad, in France and Italy.

3950. Do you believe they have been adopted in India?—I am not aware that they have.

3951. Have you seen lately any fine samples of Indian organzine?—I have not; I never saw any Indian or China organzine. All the Indian goods I have seen have not been made with organzine, but with single warp.

3952. What is the quality of China silk as compared with Indian?—I think the quality of China silk is equal to that of any in the world, and the colour superior to any other; it is all white, or at least principally white, and of the most beautiful colour.

3953. What is the price the China silk bears in this country, as compared with Indian?—It is much about the same as the best Company's silk.

3954. It is inferior to the Italian?—Yes.

3955. Has it the same defects as the Company's silk?—In general it is not near so foul, and it has more staple.

3956. Is the quality of Italian silk supposed to be improving, or degenerating?—I think improving; some has arrived at perfection; it cannot be better.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till To-morrow, one o'clock.

Die Veneris, 14° *Maii* 1830.

The LORD PRESIDENT in the Chair.

The following Papers are delivered in by Sir Thomas Strange, and are read:

Extract of a Letter from the Right Honourable Lord Wynford to Sir Thomas Strange, dated January 1830. 14 May 1830.

Sir T. Strange.

Do tell me what sort of persons the Judges of the native courts are; and whether it would not be well to provide a supply of men regularly educated in Hindoo law, and in the principles of jurisprudence, to be appointed by the King to preside in those courts; as the ultimate appeal must be to the King in Council, the members of which cannot be expected to be Sanscrit scholars.

Extract of a Letter from Sir Thomas Strange to the Right Honourable Lord Wynford, dated 19th January 1830.

At the place from whence I write, I shall be able to give your Lordship the heads only of what I think on the inquiries you are pleased to make.

1. On the first point; *viz.*, "What sort of persons are the Judges of the native courts," I have little difficulty.

The Company's servants throughout the whole of our Indian possessions are, at the present day, generally speaking, well educated, well bred, and well principled. Your Lordship will understand me to be alluding to the civil servants, about whom your inquiry is. They are a most respectable body, from among whom I believe the ablest are selected for the judicial duty. Still these young men are not *jurisperiti*. Jurisprudence has but slightly entered into their education before they go out, and they have no means of obtaining proficiency in it, or much inducement to attempt it, after they have reached their destination. The languages are the principal objects of their study. By attainments in these it is that they are chiefly distinguished. Possessing these, more or less, they consider themselves as having got the key of all they want; prepared to solve every difficulty, and to discharge any duty. With regard to that of a Judge, I do not say that it is a maxim with them, that *ex quovis ligno fit Mercurius*. On the contrary, I do the Indian governments the justice to believe that they are, according to their means, careful whom they make Judges. What I mean is, that the state of the service does not exact in the candidates any appropriate knowledge or experience. The native courts have no learned bar, which helps to make a learned bench. They have nothing of the kind; and, in some respects, so much the better perhaps for the poor natives. Even the native law which they have to administer is, I apprehend, but scantily known among them, depending for the most part, as they do, upon their moolvies for the Mohamedan, and upon their pundits for the Hindoo law; of which latter persons your Lordship seems to have formed no very flattering opinion. In all my time I resisted the appointment of pundits to our court, thinking we should do better without them.

2. Your Lordship proceeds at once to ask, "Whether it would not "be wise to provide a supply of men regularly educated in native law,

14 May 1830. "and in the principles of jurisprudence, to be appointed by the "King?"

Sir T. Strange. This is a question of some delicacy, but with me not of more difficulty than the former one.

I have long thought it a desideratum in our Indian policy, that the King should have something to do with the administration of justice in the provinces as well as at the presidencies. It would appear to me to be for the efficiency as well as the dignity of judicature that it should be so. I have already touched upon efficiency. His Majesty has not, with reference to the interior, so much as *divisum imperium* with the Company. He is, with his Parliament, the controuling power in the government of India; strange that he should have nothing to do in providing for the due administration of justice among the millions in the interior! I am far, very far, from wishing to see the charter of the Company discontinued, and all power and patronage transferred to the King; but I ardently wish to see him in his judicial capacity, more or less, among the great mass of those his excellent subjects; by whom, in the exercise of this his paternal function, I know he would be received with reverence and affection, as well as with implicit obedience. He sends his soldiers among them; what good reason can be given why these should not be accompanied with his Judges?

What of delicacy there is in this question regards the patronage of the Company, and the jealousy of their servants; considerations fit to be attended to, but not in their nature decisive. The difficulty of it concerns the extent to which the royal intromission in the judicial establishment of the interior might with propriety be recommended.

I do not think that the case requires an entire supercession of the Company's judicial function in the provinces, such as has at successive periods obtained at the presidencies; at least I would not propose so great a change in the first instance. Your Lordship may know that for the purpose of judicature British India is divided into provinces and districts, called Zillahs. Without book or papers here, I cannot say off-hand how many there are of each belonging to the respective presidencies, or the proportion they respectively bear the one to the other. This information will be easily obtained from any Indian register. In the Zillah courts is vested the original jurisdiction of causes; the Zillah Judges and their Registrars sharing it in specified proportions; the Registrars acting as a sort of assistants to the Judges in matters of comparatively small moment, with an appeal from these courts to the provincial, and from the latter to the Sudder Adawluts at the presidencies. The provincial Judges (of which there are three to each court) exercise criminal jurisdiction, going circuits. I should be for leaving the Zillah courts as they are, for the present at least; and the provincial ones too, with the exception of the Chief of each, who I think should be appointed from home by the King. He, with his two Company's Assessors, would do much to keep all in order, to correct practice, and diffuse right principles. The delay and expense of justice in the interior are I fear crying evils; the accumulation of causes in many places immense; and the difficulty of getting at the courts at all, from the distance, often, of the suitors and witnesses, great, amounting almost to a denial of justice. Able and upright men, invested with the royal character, at the head of the provincial courts, might operate sensibly upon these evils; and the innovation would not need to be felt as excessive, either by the Com-

pany or their servants. On the contrary, I should hope that they would feel gratified by the association. It would have the effect of removing in some degree from the Company a great responsibility; and this advantage would attend the leaving untouched the appointment by the governments of the two provincial Assessors and the Zillah Judges, &c. &c., that the study of the native laws and customs would continue to form the duty of a portion of the civil servants, stimulated the rather to it by the arrangement in contemplation. To give due effect to such an arrangement, the Provincial Chiefs should be such in knowledge of the laws and languages, as well as in name and authority. In what way this might be provided for I am not quite prepared to say. Something might no doubt be done by the means we possess through study at home; and some test might be devised to satisfy the Chancellor as to the pretensions of a candidate. What occurs to me is, that a Judge appointed by the King for India might be required to remain upon his arrival at his presidency; his commission and a part of his salary suspended till he should have accomplished himself in a competent knowledge of the two native codes, particularly the Hindoo, as well as in the dialect spoken in the part of the country in which he would have to officiate. This is what a competent person from home would always be able to do in less than a year, in the course of which he would be deriving many collateral advantages from his intercourse with the presidency. It would be fit, I think, that whenever he might feel prepared to tender himself for the purpose, he should be liable to an examination in the particular language or languages, by persons to be selected for that duty; but not in the laws, his attainments in which I would always leave to the honour of an English barrister.

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I come now to the Sudder Adawlut, the Court of Appeal from the whole, and the dernier one in India; a most important tribunal, the President of which should also, I think, be a person to be appointed by the King. His salary and advantages could not be less than those of the Puisne Judges of the Supreme Court: to rank with them according to the relative dates of their respective appointments.

Something of the sort of all this seems to me so obvious, that I forbear expatiating upon it: but one or two things I must not omit. The Company's Sudder is not attended by counsel: the King's should be open to them. By this means, the Judge would be always well informed, and the appeal would stand a chance of being better determined. In the event of an ulterior appeal, the Judge of the Sudder should be instructed to transmit with it, in detail, the reasons of his judgment, for the information of the King in Council. It is so, I believe, in all our western colonies, where an appeal is made from the Supreme Court to the Governor and Council of the colony; it was so, at least, I know at Halifax in Nova Scotia, where I twice attended upon writs of error, and delivered in person to the Governor in Council the reasons of the judgment alleged to be erroneous.

Should the suggestion offered in the above letter of the 19th of January be thought fit to be adopted, the Sudder Adawlut, attended by counsel, might be made a useful school of law, and preparative for the Company's Judges; the young servants of the Company destined for the judicial department being required to add to their proficiency in the languages a regular and constant

14 May 1830. — *Sir T Strange.* attendance in that court, to qualify them for judicial office. It would be well, also, if they were required to attend the Criminal Sessions in the Supreme Court, during the year in which they might be attending the Sudder.

As to extending the jurisdiction of the Supreme Court to the interior, or introducing its machinery, with the necessary appendage of barristers and attornies, into the courts there, there is nothing that I should more deprecate. I speak with reference to Madras alone.

ROBERT RICKARDS, Esq., is called in, and examined as follows:

R. Rickards, Esq. 3957. In what situation were you in India?—I was appointed a writer on the Bombay Establishment in the year 1789, and after that filled several subordinate situations in the revenue line. I was afterwards Private Secretary to Mr. Duncan, when he was Governor of Bombay. After that I filled the appointments successively of Commissioner in Malabar; Chief Secretary to the Government of Bombay; Principal Collector of Malabar, for, I think, about two years; and, finally, a Member of the Government of Bombay, which I left in 1811; and since that I have not been in India.

3958. The official situations you have filled have afforded you an opportunity of being well acquainted with the nature of the revenue systems of India?—I had occasion to inquire a good deal into the revenue systems of India when I resided in the country, and I have since perused a great number of reports and official documents on the same subject; I have consequently drawn my opinions as well from my own experience as from the result of these official papers.

3959. Do you know whether attempts have been frequently made to ascertain the produce of the country by the means of surveys; and whether those surveys have been made with great accuracy or not?—Surveys have been frequently attempted, for the purpose of equalizing the land-tax of India, and reducing it to just and moderate principles; but I believe that all those surveys, as far at least as I am acquainted with them, may be considered to be complete failures. Perhaps it will be as well to explain to the Committee what the nature of the land-tax is. When we succeeded to the Mussulman administration of India, we found principles adopted by the Mussulmans which, of course, it was natural for the British Government at first to continue. These principles were founded upon the Mussulman doctrine of the rulers of the country being also the sole proprietors of the soil, and, as such, entitled to one-half of the gross produce of that soil, as a revenue or land-tax. We adopted this principle from the Mussulmans upon succeeding to the administration of the Dewanny in Bengal; and this principle has been not only avowed by the Company's government, but continued for a great number of years to be acted upon by their servants. It is

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obvious that under the operation of such a system there can be no such thing as net rent, consequently no such person as a landlord, properly so called. The gross produce of the land would necessarily come to be divided between the government and the ryots employed in cultivating it. The whole class of landed proprietors came thus to be abolished, or reduced to beggary, throughout the whole of India where the Mussulmans had established complete sway; but in order to the realization of this right, and to ascertain what might be the gross produce of the land, surveys have been attempted in different parts of the territory subject to the British government. Those surveys have been effected by native officers, followed by another class of officers, commonly called assessors, to fix the rate and amount of taxation on the land so surveyed. From the result of some attempts made by myself, and from all the attempts of which I have seen reports from other official servants in India, I consider these surveys to have been complete failures. The consequence is, that all the revenue accounts of land and its produce which have been of late years examined by the European Collectors of India have been for the most part, indeed I may say generally, if not universally, found to be mere fabrications. When I was Principal Collector of Malabar, a very remarkable proof occurred to myself. I succeeded to a gentleman who had lately effected what was called a ryotwar survey of the province, founded upon the principles which had been adopted by the late Sir Thomas Munro in the Ceded Districts. This survey was found to be extremely incorrect. I reported its inaccuracies to the Revenue Board at Madras. The Revenue Board were rather displeased at the discovery, and required proof of the assertion, because this survey had been effected by one of their own favourite Collectors. At this time I had a number of European Assistants, whom I had stationed in different parts of the province of Malabar, giving them certain circles to superintend. I accordingly instructed these several Assistants to compare the ryotwar survey with particular spots of their respective divisions; which they accordingly did, and reported the result to me, as Principal Collector. These reports contained the clearest proof, upon personal inspection by the Assistants themselves, of the grossest errors in regard to the assessment. Many of the lands were found to be over-assessed by more than the whole amount of the gross produce; other lands were greatly under-assessed; and others, that were properly subject to the assessment, were not assessed at all. But the most remarkable discovery made upon this occasion was, that there were several spots of land inserted in the survey accounts which upon examination by the Assistants in their several divisions were found to be actual jungle, and never to have been cultivated within the memory of man, although in the survey accounts they were most minutely described as containing so much rice land, so many gardens, so many plantations of taxable trees, &c. All this I reported to

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the Revenue Board at Madras. It may however be added, since the surveys that take place in India are even in the present day sometimes dwelt upon as being capable of producing the beneficial results which were anticipated from them by Sir Thomas Munro, the great patron and advocate of the ryotwar system, that having had occasion to express myself elsewhere upon the subject of those surveys, after a critical examination of their merits, the opinion which I gave on summing up that examination will, I think, if I have the Committee's permission to read it, give a better idea of the nature of those surveys, as well as the utter impracticability of their being carried into effect with the least accuracy, than any thing I could here verbally adduce. In reference to the main object of these surveys, which is to ascertain the gross produce of a large extent of country, I expressed myself as follows: "A proprietor or farmer of land, or both together, residing on the spot, and knowing from year to year the exact produce of every field occupied, may fix the value thereof with accuracy between each other, in reference to rent, which the officers of government might find no great difficulty in afterwards ascertaining, and taking therefrom a fair proportion as revenue or tax. But for public assessors to ascertain the real gross produce of every field of an extensive empire, not only without the aid but in opposition to the will, because opposed to the interest, of the occupants of the soil, is a task of which some conception may be formed by those who will take the trouble to reflect on the following circumstances:

"Let us suppose England to be divided into small tenures not much bigger than Irish potatoe gardens;* the produce of the soil a great variety of articles, of which some one or more come to maturity in almost every month in the year; the present landlords forced to emigrate, or reduced to cultivate their own lands, or perhaps converted into Zemindars, with power to exact, fine, flog, and imprison, *ad libitum*; the land-tax fixed at one-half the gross produce, to be ascertained by admeasurement of every acre, and by valuation, or by weighing the produce, or, in the event of difference of opinion with the cultivators of any village or district, by calling in the farmers of a neighbouring district to settle the dispute; from the oppressive as well as vexatious nature of this tax, let us also suppose that the fears and jealousies of government occasion the appointment of hosts of revenue servants, armed and unarmed, some to make, others to check the collections; that accounts and check accounts be also multiplied, to guard against imposition; and that servants required for these various purposes be authorized to collect additional imposts from the cultivators, or to have lands assigned to them as a remuneration for their own services; and that under colour of these privileges and grants, excessive exac-

* In the Ayeen Akbery these portions are stated at thirty to ninety begas of arable land, corresponding with ten to thirty English acres.

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tions are enforced, leaving but a bare subsistence to the farmers; that this system of taxation should be liable to increase with every increase of cultivation; that the defalcations of one farmer or of one village should be made good from the surplus produce of others; that the spirit of the people should be so broken by the rigours of despotic power as to suffer the government with impunity to step forward and declare itself sole proprietor of all the lands in the country; and that its avarice and cravings had so multiplied imposts as to inspire cultivators with the utmost alarm and dread whenever changes or reforms were projected in the revenue administration, lest (as was generally the case in India) further additions should be made to their almost intolerable burthens; let the reader, I say, consider these things, and then ask himself whether a government Assessor, with every soul in the country thus opposed to his research, is likely to attain the requisite information for justly valuing every acre of cultivated land, including every variety of soil and of product; or, if it could be justly valued, whether the Collectors of such a government were likely to be guided by any better rule than to extract from the contributors all that could with safety be drawn into their own and the public purse."

3960. Have you been much in the interior of India?—I have visited several of the districts of India under the Madras government. I have been through parts of the Concan and the Deccan, and have also visited, I may say repeatedly, every part of the province of Malabar.

3961. Will you state the effects which, according to your observation, seem to be produced upon the people by the operation of the revenue system?—The effect of the system I have thus alluded to is in every part of India universal poverty and ignorance, as regards the great mass of the people. It has been observed by all of our ablest public servants; it is a manifest consequence of our revenue systems, and most observable where those systems prevail The case is different in some of the great commercial towns or capitals, such as Calcutta, Madras, and Bombay, where commercial enterprize is, generally speaking, much more lightly taxed In those places we observe the accumulation of wealth, accompanied by a considerable progress in civilization and in knowledge.

3962. Can you state to the Committee any mode by which you conceive the state of society in that part of India subject to the British government could be improved?—I think it might be greatly improved by employing the natives more generally than we do in the administration of the country. I take one great cause of our failure to be the little regard that has been paid to the natives; the distance at which we keep them. We estimate their experience and their talents too lightly; the whole of our administration in India is consequently too much founded upon European notions and doctrines; and if the natives were

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more generally employed in the administration of the country, I think that we should succeed better in adapting our measures to their rights, usages, and comfort, which it is obviously the wish of the British government to do; but as long as we keep the natives at such a distance, and think so meanly of their capabilities, I fear that our administration in that country will neither be profitable to us, nor ultimately secure.

3963. Do you conceive that the ryots have any opportunity now of accumulating capital?—Under the system which I have described it is obviously impossible. They are kept in a state which gives them little more than a bare sufficiency to keep body and soul together. The poverty of the ryots is extreme; the cultivation of the country is consequently in a low state, and far less productive than it would be if greater capital could be employed to improve it; but in the present state of the ryots it appears to me quite impossible. The system in India is in fact very like what has been described in Europe under the denomination of the Metayer system. It is a division of produce between cultivators and proprietors; the only difference being that in India the proprietors are the government, or ruling power, whilst in Europe there are individual proprietors deriving a net rent; but the cultivators under the metayer system being, like the ryots of India, in a state of the most destitute and wretched poverty, the condition of the latter may be judged of by comparing it with that of the former; as long as the system continues it is therefore quite impossible that any capital can be accumulated to promote internal improvement.

3964. Has not the East-India Company made repeated and anxious exertions to improve the state of the ryots?—The governments of India have been most anxious upon that subject, as well as the Court of Directors in this country. The orders of the Court of Directors abound with able and humane instructions to their governments abroad, for a just administration of their territories committed to their charge. Many of these very able letters are now in print, and do great credit to the Directors of the East-India Company. I particularly refer in this place to those which treat of "Protection to the ryots." But the circumstances which I have mentioned—the oppressive nature of the land-tax—the numerous host of subordinate public servants necessarily employed to realize and collect it—the total impossibility of controuling those servants by the authority of the European Collector, and the exactions and fraudulent impositions and oppressions committed by those persons on the ryots, have hitherto presented an insuperable bar to the benevolent wishes of the Court of Directors and the local authorities in this country being carried into effect.

3965. Do you conceive that the judicial system that is now pursued in India is susceptible of improvement?—I think it is susceptible of very considerable improvement; and in any at-

tempt at reform or improvement in India I should certainly recommend that we were to commence with the judicial department. Our judicial system in India was first introduced by Lord Cornwallis, in the year 1793. There were then courts established for the administration of justice, and altogether separated from the revenue servants, in whose hands the administration of justice had been before. The principle upon which Lord Cornwallis acted on that occasion was perfectly unobjectionable; but the courts which were established under the system his Lordship then adopted were entirely founded upon European notions of justice and European forms of practice. The consequence has been, that the courts were soon overloaded with business, without effecting the object the government had in view, of affording complete protection to the ryots. It appears, indeed, by several official reports now in print, upon the subject of the judicial proceedings in India, that the ryots are to this hour, I believe, as little protected against the artifices of designing men, and more especially of the natives filling official situations, as they ever were. It may indeed be apprehended, that no system will be efficient for affording complete protection to the native inhabitants until some important changes take place, as well in the judicial as in the revenue department. In speaking of the revenue department, I here allude to a gradual reform in the system of taxation; because, as that taxation employs such a host of persons to collect it, whose acts it is impossible to controul, oppressions and enormities are constantly committed, which our courts of justice, as now constituted, are very unequal to repress. There is a very able minute upon this subject, by Lord Hastings, then Lord Moira, dated the 21st of September 1815; and there is also a Regulation, passed in 1821, the preamble of which contains a long and minute detail of the enormities that have been committed by our native servants, both in the revenue and judicial lines of the service. These documents I would particularly recommend to the attention of the Committee, as tending to shew what little effect our laws have had in protecting the ryots against acts of fraud and violence; in which it is lamentable to observe that persons in official employment are stated to be the principal aggressors. The Regulation is numbered One, of 1821.

3966. Do you think that advantage would arise from the increased employment of the natives in the administration of justice in India?—It appears to me that what has been always wanting, and is still wanting, in India, is a code of laws suited to the habits and usages of the people, and to existing institutions and associations among themselves, particularly such as have been long established, and are well understood by the community at large; and what I would beg leave to recommend for this purpose is—

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First, The collecting into a written code, or distinct codes, all that is useful from the law authorities of the several castes in India, adding thereto all such native usages and customs as would be classed in this country under the denomination of common law, and reducing the whole into regular and appropriate enactments applicable to the different castes or races of the population:

Secondly, Provision for giving due efficacy and effect to the laws when enacted, by the establishment of such courts, under European or native Judges, as the case may be; so that justice may be given to applicants at a cheap rate, and at, or as near as possible to, their own homes:

Thirdly, The establishment of such a course of practice in the several courts as shall effectually prevent needless delay, expense, and vexation; and,

Fourthly, What I consider of paramount importance, the appointment of a permanent native committee or council, either with or without an European president, to revise and amend, alter or repeal existing laws, and to assist in the formation of new ones, and to watch with unceasing vigilance such as may be consequently confirmed, so as to be enabled to report to government, as the superior legislative authority, such amendments, modifications, or repeals as circumstances shall appear to render expedient or necessary. The power of originating laws should also be extended to this committee or council, who would submit the same to government for confirmation; and no new law should be put in force that had not received the approbation of the said committee.

It may perhaps be thought that this latter suggestion is a bold measure. When I first suggested in 1813 a more extended employment of the natives of India, the proposition was then thought visionary. Since that period some of the ablest servants in India have been convinced of the indispensable necessity of employing the natives in official situations, more generally than was formerly the case; and I do feel convinced, that if such a committee or council as I have now suggested were assembled at the different presidencies of India, and men of known ability and experience selected for the purpose of composing it, the greatest good might be expected to result from it, as well in revising existing laws as in passing other regulations both for the judicial and the revenue departments, such as would enable us to carry on the general administration of the country much more successfully than it has ever been done hitherto. When I left India, I knew several natives who were well calculated to execute a duty of this kind. Since I left India, the progress of knowledge, and the acquirement of the English language and literature, have been so great, that I feel no difficulty in now saying there must be numerous natives in India still better qualified for so important a trust, and who

would be highly gratified in being selected for such distinguished employment. I have been the more particular in recommending this native council or assembly to the consideration of the Committee, from the conviction of my own mind that without it we shall still be wandering in the dark in India. But I would also employ the natives in other important situations; I think many of them well qualified to be Judges in the different courts. Of late years, they have been more extensively employed than formerly, in inferior situations, such as district munsiffs—village munsiffs; that is, local judges or justices, with limited authority, in small divisions of a collectorship or Zillah. Latterly, their powers have been somewhat enlarged, in consequence of its being experienced that they executed their duties in many instances with great ability and integrity. There are, no doubt, on the other hand, instances of corrupt and vicious conduct among the natives so employed; but lapses of this nature are, in many instances at least, fairly to be accounted for from the present state of Indian society. When moral improvement is more generally introduced among them, their manners as well as their principles will assume a higher scale. Such indeed is my opinion of native Indians, that I think they might be trusted with greater judicial authority, and employed in higher offices than are now conferred on them. I think, for example, that it would be found of great use in every court in which an European Judge presides to have one or two native Judges, as the case may be, sitting on the same bench, with adequate salaries, suited to the dignity and respectability of the situation. Those Judges would be of infinite use in the examination of witnesses, in facilitating decisions in all cases, more especially of caste, and disputes regarding property, inheritance, adoption, and other local usages peculiar to the natives of the country. In respect to criminal trials, their experience and co-operation would also be of essential service. They might likewise relieve the European Judges and Registers from much of the present official details of their respective courts, which are in many instances quite overwhelming. In these various ways, therefore, I think that the aid of native Judges, both in the civil and criminal courts, would be attended with the greatest advantage. I could mention an instance in this respect that might perhaps be considered in point. I once presided myself in a criminal court in India, where numbers of prisoners were brought before me for trial, and some for capital offences; the witnesses upon these trials were necessarily examined through the medium of interpreters; and so difficult did I find it to ascertain the real merits of the case, in several of those trials, that I could not in my conscience venture to recommend a sentence of death, even where prisoners acknowledged, as they often would do, the commission of the imputed crime. The sentence of death in those

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3967. Are you of opinion that the natives might be employed as jurors with great advantage?—I have no doubt that the natives would be highly gratified with being employed as jurymen generally. I have seen many letters and representations from natives upon the subject of the introduction of jury trial in India, in which their objections, even where they did object, have mostly rested upon the circumstance of their being only allowed to serve as petit jurymen; but if the privilege was extended to them of sitting on grand juries and special juries, I am confident it would be very generally adopted by the natives, in as far as it would tend to raise them in the estimation of the society in which they dwelt. I am also of opinion it would be of great use in the administration both of civil and criminal justice in India; for I am sure that natives are far more competent to examine witnesses of their own caste, or the inhabitants of their own country, than Europeans are; they would thus be of the greatest use in eliciting truth in all cases of importance. But it is a curious coincidence, that on this subject I received, only a few days ago, a letter from a native of great respectability and rank in Bombay, touching particularly upon the subject of jury trial. The writer of the letter, as is generally the case in countries where the inhabitants live under an arbitrary government, is exceedingly desirous that his name should not be known, and he has begged of me to suppress it; but knowing the individual personally, I can vouch, not only for his high respectability, but for his rank and consequence in native society. The letter, of which this is an extract, touches, not only upon the subject alluded to, but upon some others which have been discussed in the course of this examination; and if it be acceptable to the Committee that I should read it, I shall do so with pleasure. The language, being English, is not quite so grammatical as some other letters I have seen from natives of India; but I give it precisely in the terms in which I received it. It is dated the 12th December 1829, and addressed to myself. "Perceiving," he says, "that you are anxious to be acquainted with occurrences from this part of the glode, relative to the natives under British government, I, though inadequate to the task, yet undertake to give you some account, and I trust when this meets your eyes it may be useful.

"Although there are accounts all over India, pretending to show that the natives living under British government are quietly and peaceably enjoying themselves happily, I have no hesitation in asserting, when their concealed sufferings from the several present systems of government are unfolded," (I beg to say, that when he speaks of the present system of government, he alludes to the system of revenue which I have mentioned), "that there cannot be any impartial and reflecting mind to fail

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to be convinced of the hardships on the part of government which the natives are unfortunately subjected to, which in justice require the attention of the British Parliament for reform or modification. The impositions are numerous; and if I were to detail all of them singly, it would fill up a volume. I shall therefore give you a few, which plunge the natives (especially poor class of people) more immediately into extreme poverty and wretchedness. Cultivators tilling the lands for subsistence, to whom all other means of employment being wanting, from the rigour of the English revenue institutions, and the exorbitant rate of land-tax still existing, derive from cultivation of their lands a scanty maintenance for themselves and their families, after a hard labour of twelve months, leaving little, or some of them rather no surplus produce, to answer the demands of government for revenue, and to supply all expenses of cultivation and implements of culture, and to save seed for the ensuing year; consequently are compelled to borrow money at heavy interest upon mortgage of their coming crop; and are, from these circumstances, doomed not only to a miserable but a confirmed state of poverty. These revenue institutions and high taxation, therefore, if not removed, ought to be modified, to relieve the great number of ryots of India, and the landed proprietors in general, from the present distress.

"The government here are well aware that the hackery and cart drivers live solely upon the hire they daily get. The former may, with a whole day's labour, bring scarcely one rupee, and the other half or three-quarters of a rupee; notwithstanding, the wheel tax is raised to such an extent as thirty to forty per cent. on average upon the first established tax, that these poor people can scarcely reserve a trifle to maintain themselves and family, the most part of their earning washing away by paying the Company's tax and feeding the cattle; and when they become in arrears of payment to government, the hackery and cattle are liable to seizure and sale by public auction, for its payment; by which they not only lose their property, but also the means of acquiring the necessaries of life. It is not only ruinous to the poor class of people, but to the community in general, as the wheel tax of chariots, buggy, and coaches are also increased to the above extent. The wheel tax is moreover leased, since last year, to the highest bidder, which is no less detrimental to poor people. Unless a change of these oppressions and hardships is adopted, the population must lead a deplorable and miserable life.

"The tax exacted from the poor bhaudary, or toddy drawers, upon each cocoa nut, brab, and date tree, is too heavy, in proportion to its produce and the monthly rent paid to its proprietors. There leaves a trifle to the bhaudary, after paying the owner of the tree and government, which can scarcely suffice to maintain himself and family; consequently the proprietor's

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payment is always left in arrear for five or six months, owing to their being forced to pay first the government's unproportionate demand, which is claimed as its own share, besides the imposts when toddy is distilled in spirits. From so many payments upon each tree, you will no doubt be able to judge what remains to afford subsistence to these poor people, or whether they are reduced to extreme poverty or advancement; and if it is called justice to the poor inhabitants, by government taking a large proportion of produce, and thereby leave the unfortunate people entirely destitute of the articles of life. The system of taxations, in general so high-rated, as collected here, is too obviously inconsistent with all sound principle. If the British government wish the prosperity of India, how should they think it possible for any to prosper under the pressure of so heavy an imposition. Unless they remedy the evils resulting therefrom, the natives, it appears, will be rather deprived of their lands and hereditary possessions in a very short time, and its families reduced, from a state of influence and respectability, to heavy distress and ruin; and it is hoped that you may be able to put this to the feelings of those gentlemen of the highest authority who may hear you, on the expiration of the charter.

"Sir Edward West, our late learned Judge, did the honour of permitting the natives into the petit jury; on which occasions the Europeans evinced their utmost displeasure of sitting with them; but the learned Judge supported the natives, and on several occasions expressed in a very handsome manner a satisfaction from the verdict they had returned upon cases tried before them, as will be found on reference to the Bombay papers. Nothwithstanding, it is grievous to observe the opposition for admitting natives to the functions of grand juries, upon a pretence that they are not eligible to act as such. There is no doubt that in former times they were not sufficiently acquainted with the English language; but at present there has been a great improvement acquired, and still further improvement in young ones is expected, from the institution of schools; and if a proper selection is made, there will be found, it is presumed, a sufficient number of worthy natives,—Portuguese, Parsees, Hindoos, and Mahomedans, at present, of very ancient respectable family, intelligent, and worthy to discharge the functions of grand jurors equally as the Europeans, more especially as they are acquainted with the languages of the country, and customs. To this effect the natives of this place have made a petition; and it is hoped it will obtain the desired object if the parliament will take this important point into consideration; and it is also in contemplation of petitioning as to their being admitted in special juries; and further, it is deplored that distinction exists between Europeans and natives on all occasions, being at the same time as much entitled to consideration and respect as the Englishmen are. Besides, the

natives have a just claim to participate at least in some share of civil offices, as well as in the magistracy and in the justice of the peace; and regret their being excluded entirely therefrom. In the second office they will be better Judges than Europeans, being well acquainted with the race of natives, their different languages, habits, conduct, means of their living, and customs of the country; and it is not to doubted that they want *———— for a good administration of justice, and that there is no honesty of dealings in them. The natives who are the principal inhabitants of this place are descended from families of respectability and good blood, but in the sight of Europeans are absurdly considered as lowest of the nations, for which they are generally down-hearted and vexed. Both in the police line and in the justice of the peace, here, Europeans are only admitted. Some of them are so young, inexperienced, and unacquainted with the manners and customs of the people of the country, that they decide causes as they like, founding only upon the Regulation, without making any particular inquiry into the spirit of the transaction before them, and as to the condition of the people brought before them for trial. It is because they cannot have proper knowledge of the country. But if the natives should be admitted, and if any thing should appear striking their minds for alteration of the Regulations, and from the better notice they possess of their own country than Europeans, they would of course appeal to the highest authority for amendment of facts and regulations, thereby rendering a better administration of justice in their own country, and at same time satisfactory to the population. About this important point the Europeans never think of, but they go upon the laws and Regulations of England; be it right or wrong, or inconsistent with the customs of the country, decisions are passed. Unless the natives be admitted as magistrates, justices of the peace, grand jurors and special jurors, the measures to be adopted for the future good government of their own country cannot take effect. Further, it is a matter not to be disputed, the natives being born under the British colours, and thus continued for nearly three or four generations, why should they not be entitled to the same liberty and privilege in their own country as the Europeans. Thieves are introduced into the country in numerous and unresistible gangs, incorporated with sepoys of the battalions, and others, committing murders and depredations even in day time, by which inhabitants are from time to time robbed of all their property; but we do not see any arrangement on the part of police so as to lead to the detection of these freebooters, or to afford any assistance to the people when they are attacked by thieves; but every one are obliged to get their property and their lives secured to themselves at their own expense, by

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* Word not intelligible.

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3968. What special juries have they now in the courts?—Only in the King's courts in India established at the several presidencies.

3969. Would you recommend the extension of the trial by native juries to civil as well as to criminal cases?—In the provincial courts I would, certainly; for there several cases occur, (adverted to in a former answer,) of caste, inheritance, and adoption, on which the natives are much better calculated to pronounce than Europeans.

3970. In what relation, in point of authority, to the European Judge would you propose to place the native Judge who you think should be nominated as assessor to him in the Supreme Courts?—I would place him upon the bench of the Adawlut courts, to which my proposition refers, in the same way that Puisne Judges are placed on the benches of the King's courts. The European Judge of course should be the chief Judge of the court; but I would give the native the authority, as well as the distinction and title, of a Judge, when he sits in either of the courts which I have recommended.

3971. Would you propose, then, that the decision should be by a majority of the Judges?—Certainly.

3972. Have you reason to think that the natives would be as well satisfied with the decisions of such Judges as they are now with the decisions of European Judges?—I should think that on the whole they would be better satisfied; and for this reason, that decisions might be much more expeditiously passed, and in many cases more conformable with the usages and the comprehension of the natives themselves; one of the great inconveniences now complained of in the administration of justice in the Zillah courts being the great delay which necessarily takes place there in the investigation of causes.

3973. Do you think that an equal degree of confidence would be placed by the natives in the integrity of native Judges as of European?—I think there would: for where an European Judge presided it would have the same effect as at present, of obviating all doubt on the score of integrity.

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3974. Are there any other modes besides those you have stated, in which you think the natives might be employed with advantage in the general administration of India?—They might be employed with equal advantage both in the revenue and in the police departments. At present, I would say that our systems of police exhibit perhaps the strongest proofs of failure as regards our Indian administration; and this I think arises in a great measure from two causes. The police of India was formerly entrusted to the Collectors of districts. Upon Lord Cornwallis's new Regulations being introduced, in 1793, the police was transferred to the magistrates of the different Zillahs; but after a long course of experience, being found to be inefficient in their hands, the superintendence of the police has been again transferred to the revenue department, giving at the same time to the Collectors authority as Judges in revenue cases, and as magistrates in their respective divisions. But in all these changes the parties to whom the duties of police have been entrusted have been so overloaded with other business, that their police avocations have only been with them a secondary object. I think that both the Collectors and the Zillah Judges, as matters now stand, have a great deal too much to do in their respective departments ever to be able to give that attention which is indispensably necessary to the duties of police, to render that establishment effective for the protection of the persons and the property of the people. This I think is one cause of failure. Another arises in a great measure out of our revenue systems, which are universally so oppressive to the natives as to occasion, on the part of all those who are in local authority or who have local influence in the country, either an indifference to the success of our measures, or else a spirit of direct hostility. As long as this state of things exists—as long as there is no congeniality of feeling on the part of the natives of India with the ruling authority —it will be impossible, in my opinion, for an efficient police ever to be established in India. This, therefore, I take to be another cause of our failure. But if the native Committee or Council which I have recommended in a former answer was established in India, and if natives were raised to the other high situations, both in the judicial and revenue departments, which I have also suggested, it would be a means of attaching the native population so very much to the British government, that then the local influence of the natives themselves, so indispensably necessary to the general success of our measures, might confidently be expected to be exerted in our favour; and when that was the case we should feel the advantages of it, not only in the police department, but in all the other branches of the administration of our government.

3975. Do you think the natives are now sufficiently educated to enable them to fill with safety and advantage the situations which you have mentioned as being such as might be hereafter

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filled with benefit by them?—The natives of India have of late years made such progress in education, particularly in the acquirement of the English language, as well as the knowledge and literature of this country, that I think there can be no doubt of a sufficient number of them being found, even now, to fill all the situations which I have recommended; but if those situations were open to the legitimate ambition and hopes of the natives, it would afford them an additional stimulus to qualify themselves for such situations. There are now ample means for doing it in India, in the numerous schools and literary institutions which have been established in various parts of the country, and to which I understand the natives flock with great avidity, for the purpose of learning all that is therein taught; but if those public offices before mentioned were also open to them, it would induce a far great number to take advantage of those seminaries, to qualify themselves for employment in situations so well calculated to raise them to high respectability and distinction amongst their own associates. It is also in the power of the government very materially to advance this object, by encouraging the establishment of seminaries for education more generally, and by granting prizes or honorary distinctions in them upon public examinations, or establishing something similar to professorships and honorary degrees, such as exist in the colleges of this country; and it may be for government to consider whether, with such means of securing the attachment and allegiance of their native subjects, it would not be its wisest policy to grant this encouragement to native expectations and hopes; since, from what we have seen of late years of India, such a degree of literary improvement has taken place there that it will be impossible to check its further progress. With due encouragement, therefore, and reward, on the part of the British government, it will assuredly prove its greatest security; but if thwarted or disappointed, may be fatal to its existence.

3976. Do you conceive that benefits in the way of moral improvement would result to the natives, from a free settlement of Europeans in India?—There has been a great deal said upon the subject of free settlement, or colonization, as it is generally called, in India. My opinion upon that subject is, that if the natives of India were adequately protected in their persons and property, very considerable advantage would result from the admixture amongst them of Europeans of respectability. I do not conceive that any Europeans, except persons of capital, or of good education, would ever resort to the interior of India, for the lower classes of people could hardly find employment in that climate; they could not labour in the open fields, neither do I think they could labour with advantage even under cover, owing to the great heat of the climate, and its usual effects on European constitutions. There appears to me, therefore, very little probability that the lower classes of Europeans would ever have sufficient inducement to settle in the interior. It has been

thought necessary hitherto to guard the natives of India against violence and oppression on the part of Europeans, by prohibiting their going into the interior; and perhaps, as matters now stand, that prohibition is necessary. This, in fact, is one of the reasons which induced me to suggest in a former answer, that the business of reform or improvement in India should begin with the judicial department; for if efficient laws were once put in force for the protection of the inhabitants, I then conceive there could be no danger or difficulty in allowing Europeans of capital to settle in the interior of the country; and I think that by the admixture of persons of that description with the natives, great advantages would result to the latter, not only from the expenditure of capital among them in the support of industry, but also from the example of the greater skill of Europeans in various arts and branches of manufacture. It would likewise have a tendency to diffuse European literature and knowledge among the natives of India, which would unquestionably very much conduce, in my opinion, both to their moral and probably to their religious improvement.

3977. Were you acquainted with any Englishmen resident in the interior?—I was; I knew several; three or four who resided at different times in the province of Malabar, and in Travancore; but one in particular, Mr. ———, who resided in the interior of Malabar for a great many years; I believe forty years altogether. He latterly possessed a landed estate in the district of Randaterra, and resided on that estate until the period of his death, about two years ago.

3978. Did you observe that the residence of that gentleman in Malabar tended to the moral and religious improvement of the people in his vicinity?—He was but a single individual; and much of the effect which I should anticipate from the general introduction of European residents could not be expected from a single person. This gentleman I know communicated freely with the natives; and being a very able person himself, and talking the language fluently, I have no doubt he communicated much of his own knowledge to several of those who resided in his neighbourhood, and held intercourse with him.

3979. Are you aware that it is on oath before the Committee, that that very person was accused of stealing women and children from Travancore, and making slaves of them?—I never heard of it while I was in India; and from my knowledge of that gentleman during the time I resided in Malabar, I cannot conceive him capable of such a transaction, or of having been in any degree accessary to it.

3980. Were you acquainted with his history before he went to India?—Not particularly. I knew him for many years in India, and had frequent intercourse with him there. I had never reason to suppose him other than a perfectly honourable,

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well disposed, and highly-talented man, and always partial to the natives of India. I would beg leave to add, in justice to the gentleman in question, that if the accusation against him on the record of this Committee has merely reference to agents whom he had occasionally employed in Travancore, for other, probably commercial, purposes, such acts on the part of the agents might have occurred, and be easily accounted for, altogether independent of any sanction, controul, or even connivance on the part of their principal, since the most criminal acts are frequently committed by native agents acting in subordinate capacities, under both Zillah Judges and Collectors, in almost every part of India, of which such Judges and Collectors being altogether ignorant as well as innocent, it would be hard on them to be accused of participation in the crime. This gentleman, during the time I knew him, was so much respected by the Bengal Commissioners, when they were sent round to Malabar for the settlement of the country, as to be employed in confidential situations by them. He was afterwards appointed to a situation by the government of Madras; and I believe obtained from that government a grant of the estate which he held in Malabar, partly at least, in consideration of the sense which they entertained of the services he had rendered.

3981. Do you apprehend that any improved system of controul on the part of Collectors and Magistrates would have the effect of preventing those improper and tyrannical acts on the part of the agents acting under them?—I very much fear it will be impossible, without some important change or reform of our present systems. The result of our experience, ever since we have been in possession of the Dewanny in Bengal, and in every district we have subsequently acquired, confirms me in that opinion.

3982. Do you not apprehend that the agents of Europeans might, under the idea of obtaining their protection, be more disposed to commit tyrannical acts than the agents of natives in similar situations?—I believe that the agents of Europeans in authority never commit any acts of oppression towards the natives in the hope of gaining the favour or protection of their superiors; on the contrary, those acts are almost always committed unknown to the European authorities, or to the European persons by whom such agents are employed. There is always, from the little intercourse that subsists between us and the natives of India, the greatest difficulty in detecting such acts of oppression, and bringing the perpetrators to justice; and this is the cause why they are so often committed with impunity.

3983. Do you think it would be expedient to promote a more general residence of Europeans in the interior of India, without making them amenable to the same courts before which the natives must prosecute their civil suits, and appear in the event

of their being accused of criminal acts?—That is exactly what I should propose. It is with that view that I recommended improvement in the first instance in the judicial department; for if the natives could be adequately protected, I think every difficulty would be removed in the way of admitting respectable Europeans into the interior of India; but those Europeans I would unquestionably subject to the same laws and to the same courts of justice as the natives themselves; and upon that condition alone do I think they ought to be suffered to reside in the interior. Perhaps it may be right to make some exception as to capital offences.

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3984. In what manner would you so alter the law as to make it equally consistent with the prejudices of the natives and with that of the European residents?—I have already stated that I think it would be impossible, or almost impossible, for any European to suggest the laws that ought to be enacted for this purpose; we have hitherto tried it for upwards of half a century, and tried it in vain; and it is upon these grounds that I have taken the liberty of so strongly recommending to the consideration of the Committee the appointment of a native council at each of the presidencies, for the purpose of assisting in revising the laws now in force, and enacting fresh ones, such as may be more consonant with native usages and habits, and more efficient to guard the rights and the interests of the native community.

3985. Would you subject the rights and interests of European residents to a system of law formed by a native council?—Certainly I would, if they chose to go and reside amongst the natives. Every one who resides in a foreign country necessarily subjects himself to the laws of that country; and I see no reason why Europeans in India should not be subject to the laws of India, if those laws were passed with due consideration to the rights and interests of those intended to be governed by them, and finally scrutinized and confirmed by the legislature of this country.

3986. You think it just that an European who has elected to live in India rather than under the law of England, should be subject to the law which was most consistent with the habits and prejudices of the great body of the people among whom he lived?—It will be optional with the European to reside in that country and carry his capital there, or not. If he chooses to reside there, I think he should be subject to the laws enacted for the benefit of the people at large.

3987. You conceive, then, that every adequate security which a native of England would require would be insured to him by by such laws being sanctioned by the British legislature?—By the governments of India in the first instance, and by the British legislature ultimately.

3988. Were the other Europeans whom you knew resident in the interior persons who carried capital to India?—Two of them

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that I recollect were persons living in the kingdom of Travancore. One of them was a very industrious man, who gained his livelihood by building ships and boats; the other was a person of no capital, for he had failed in business at Bombay, and retired into Travancore, where he passed, I believe, the remainder of his days, carrying on the business of a merchant in a small way.

3989. As he had no capital, in what way was he enabled to carry on business in Travancore?—Merely his own industry, and probably by means of small advances acquired from his friends in Bombay. He was respectably connected in Bombay, and in all probability supported in business by them.

3990. You have spoken of the difficulties you found in administering justice, in consequence of the questions being put to the witnesses through the medium of an interpreter; were you acquainted with the language of those witnesses yourself? —I was not; and thence arose a great part of the difficulty. I could not in conscience pass sentence upon prisoners where I felt uncertainty as to the nature and the accuracy of the evidence which had been adduced on the trial.

3991. Would that difficulty in which you stood have been in any degree diminished if you had been sitting between two native Judges?—It would be very much diminished; more especially if those natives were acquainted with the English language as well as with the language and habits of the parties under examination and trial.

3992. Would it not be easier to find one Englishman acquainted with the language of the country, than two native Judges acquainted with the English language?—The English language is becoming so general among the natives of India, that I conceive there would be no difficulty in finding individuals perfectly well qualified from their knowledge of the language to sit as Judges. The languages of India are on the other hand so numerous, that though a European may be well acquainted with one or two of them, yet in a great extent of country over which his jurisdiction extends it will often happen that other languages or other dialects exist in which he is not conversant.

3993. Have you ever considered in what manner the judicial establishments of the British government in India might be improved, with relation to the qualifications of European Judges themselves, in the acquisition of languages, and in the knowledge of the law?—The European Judges in India are for the most part selected from amongst the ablest and most distinguished of the Company's servants. Their education is not that of an English lawyer in this country, but I believe they are for the most part well acquainted with the common principles of law, and with the most common language of India, videlicet, Hindostanee, and sometimes with the Persian; but the Persian

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language is of little use in the administration of justice in our courts. If a code of laws such as I have recommended were compiled in India, the gentlemen who were appointed to the situation of Judges in the provincial courts could have no difficulty in making themselves masters of that code; and it might be made a *sine qua non* of their appointment to office, to prove upon public examination that they were qualified to fill the situation.

3994. Have they at present any means of acquiring that knowledge of the law, or any time to devote themselves to to the acquisition of it, before they are placed in judicial situations?—In the way in which the courts are now constituted in India, and proceedings conducted, Judges, whether before or after their appointment to the higher situations, have generally no time upon their hands for study, and therefore cannot be expected to be possessed of any legal knowledge which had not been previously acquired. This I take to be one also of the great defects of our present system. I think it would be very desirable, and is one reason why I recommended the appointment of native Judges to our provincial courts, that it would shortly, if not immediately, prove the means of relieving European Judges and Registrars from a great deal of the detail business with which they are now overloaded. It might materially conduce to a faithful execution of official duty by the natives employed in their respective districts, if the Judges and Registers alternately had sufficient time or leisure upon their hands to make constant circuits through their respective districts, for the purpose of superintending and controuling the acts of the native officers in authority. If a Judge, for example, was relieved of the duties of detail in which he is now engaged, he might either himself, or by deputing the Register of his court, make frequent excursions to the districts or subdivisions in which native Judges preside; and by keeping a constant watch and vigilance over the conduct of those native Judges, as well as of the persons employed in the Revenue department, it is more than probable that it would operate as a very effectual check upon their conduct, by restraining the evil propensities of the bad, and encouraging the well-disposed to a faithful execution of their public duties.

3995. If the European Judge has no time to acquire a knowledge of law after his appointment into a judicial situation, is he not equally without time to acquire a knowledge of the law, and likewise without any inducement to acquire it, before his appointment to those situations, being fully occupied in whatever situation he has been originally placed in, and not knowing he ever shall be a Judge?—If it were made the condition of his appointment to a higher situation, he would of course devote himself to the acquirement of that necessary knowledge.

3996. Do you think it advisable that the two lines, the re-

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3997. Would you keep them distinct from the first, so that an individual who entered into one line should not afterwards pass into the other?—It has been the custom to promote gentlemen from the revenue to the judicial line, and I think some advantage results from following up that system, for it gives a gentleman who has been in the revenue line an opportunity of acquiring a great deal of knowledge with regard to cases which will certainly come before him in his judicial capacity. If thoroughly qualified on examination to fill a judicial office, I should think it of little consequence in which line he had previously served.

3998. Do you think it would be advisable, when a gentleman has once entered the judicial line of the service, that he should remain there?—I do not think it at all necessary for a young man appointed assistant to a Judge in one of the Zillah courts to be exclusively confined to that line in all time to come, nor do I see any reason why he should not be transferred to the revenue line, and so changed from one to the other; provided always he shall prove himself to be qualified for the offices he may be appointed to fill.

3999. Would not that interruption of his judicial practice and studies make him less fit to exercise the higher functions than he would if he devoted himself entirely to one line?—I doubt very much whether it would; much however in this respect would depend on the disposition and attainments of the party. If he knew that the higher judicial offices were open to him, he might, if relieved from the numerous details to which he is now exposed, equally qualify himself to fill them as if he had remained in the judicial line altogether.

4000. You have represented the mischief which had arisen out of the present system of land revenue in India; can you suggest to the Committee any improvement in that system?—There is one question, as regards the revenue system of India, which is certainly of paramount consideration, and that is the indispensable necessity of a certain quantum of revenue to pay the present heavy expences of the Company's government. It would, therefore, be quite impossible to reduce the aggregate amount of land taxation in India abruptly. It must be done gradually, as other sources of supply present themselves; and I know no means by which that object is so likely to be accomplished as through the medium of the native Committee which I have recommended to be established at the different presidencies. Such a native Council or Committee, with efficient officers, European and native, in the provinces, might, I think, materially aid us in doing that which we have hitherto always failed to accomplish; and that is, equalizing the present revenue assessment of the country, thereby rendering it more tolerable to the

inhabitants. With the aid of such a Committee, and the employment of natives in the other ways and under the checks which I have recommended, we might be enabled to convince the inhabitants, of what I am sure they cannot be convinced now, that the assessment thus settled would never be increased, but on the contrary gradually diminished. Under the influence of such arrangements, and the confidence of the inhabitants well secured, it may not be too much to expect, as a natural consequence, that accumulations of capital and property will take place in various parts of the country; and in such case there can be no doubt that other sources of taxation would present themselves, so as to enable government gradually to reduce the rate and amount of the present land-tax, than which nothing, as it now stands, can more effectually bar the progress of improvement. In these respects, a native Committee may be of essential service; whilst the reform of the revenue systems of India is, as I think, a point of the greatest importance to be taken into immediate consideration.

4001. Does not this expectation of yours proceed on the supposition that, in the first instance, by assessing with greater equality the land revenue, the same amount of revenue might still be received?—It does; but the revenue as now collected is I believe very unequally assessed. I am confident that in many districts of India there are lands now altogether exempted from revenue, which would under a better system be liable to a regular assessment; on the other hand, there are many lands overtaxed, from which the revenue is oppressively levied, and some not taxed at all. If even a tolerable equalization of this land tax could be effected with the aid of native co-operation, it would be a blessing to the inhabitants, and relieve them from a load of oppression to which they are now subject.

4002. In what way would you proceed to make that equal assessment of revenue?—I think the means of proceeding should be left entirely to the native Committee and the local authorities. Unless they can suggest means by which this object can be accomplished, I should despair of success. I doubt whether it can ever be accomplished through European agency alone.

4003. Would you found this new assessment upon a survey?—I have before explained that I have not the smallest confidence in surveys.

4004. You have expressed an opinion that the surveys which have been hitherto made have failed, but you give your opinion of their failure on a comparison between the result of those surveys and the result of a survey made by your own agents: in what manner did they proceed to take your survey on which you did rely?—My assistants proceeded merely to inspect certain spots of a district pointed out to them; and they found,

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upon personal inspection of those spots, the inconsistencies which I have detailed in a former answer; but I believe it to be quite impossible for government surveyors to assess a large extent of country equably; and if the almost infinite varieties which arise from difference of seasons and of soil, as well from locality as fertility, together with the greater or less skill, industry, or capital employed in its cultivation, change of products from year to year, proximity or distance of markets, and other causes, are considered, the impossibility of attaining the desired object by means of government surveyors and assessors, that is, of ascertaining the gross produce of any country, with a view to equal taxation, must, I think, be obvious. It is on these grounds, therefore, that I am of opinion that surveys will never be of use to us.

4005. In what manner would you assess the revenue without the assistance of a survey?—We must necessarily proceed, for the present, on the systems which are in force in the different districts of India, subject to such modifications and amendments as may be afforded through the means I have before recommended.

4006. Are you aware that in many cases that which was called a survey proceeded upon principles different from those that would have regulated what is called a survey in this country; and that the survey was made on a comparison of the amount of tax actually paid by the country surveyed in the course of the last ten or twelve years?—The most laborious, and perhaps the most accurate survey, that has been accomplished in India, was effected under the superintendence and direction of the late Sir Thomas Munro, in the ceded districts, who was certainly one of the ablest and the most zealous of the Company's servants in India; but from his own reports it is manifest that the result of that survey was a complete failure. The assessment laid upon the lands in pursuance of that survey has, as far as the public records go, never been realized. It has been found, on the contrary, necessary in each succeeding year, or at certain periods, to reduce the amount of Sir Thomas Munro's assessment; so that the revenue realized from those districts is, I believe, considerably less than that which he reported to be the capability of the country, and that would in fact be realized from it in all times to come.

4007. You are aware that the assessment of Sir Thomas Munro fixed the largest amount of revenue which in his opinion it would, under any circumstances, be just to draw from the country; but that he himself recommended, in the first instance, a very large reduction, to the amount of twenty-five to thirty-three per cent., and that his suggestion to that effect was not adopted?—Sir Thomas Munro's proposition for a reduction of the assessment had reference only to the experiment of a permanent ryotwarry system. It was this permanent ryotwarry settlement which the Revenue Board rejected; consequently the former assessment, or that

of the ryotwarry survey, was continued. On his quitting the ceded districts, he reported to government that eighteen lacs of pagodas might be collected from that district in all time to come, without the aid of a single sepoy to enforce the collections. I believe, however, that eighteen lacs of pagodas never have been realized; and that the revenue now derivable from that district is very considerably below the estimate given in by Sir Thomas Munro.

4008. You are aware, however, that the assessment fixed in the first instance on the district surveyed by Sir Thomas Munro was much higher than he thought the government could in prudence or in justice exact?—After a laborious investigation for three or four years of the resources of the district, Sir Thomas Munro fixed the assessment, not on the grounds of the survey, but on an estimate of the resources of the country, after consulting with the principal native inhabitants, compared with the realizations of revenue from the district for a certain number of years previously. I should conclude, from the repeated perusal of Sir Thomas Munro's reports, that he must himself have placed but little reliance on the result of his own survey, since both he and his successors would seem to have proceeded on other grounds, as well in regard to the assessment of the country as to the collection of the amount.

4009. Supposing it were determined immediately to make a large reduction of the land revenue, can you suggest any mode of supplying the deficiency in the receipts which would be so created by the imposition of any other taxes?—Certainly not immediately; and therefore it is I say that it should be done with great caution, and gradually; neither would I think it safe or wise to attempt further modifications or ameliorations of the system, where so many able heads have already decidedly failed, until the best informed and most experienced of the natives of the country shall have been consulted upon the subject.

4010. You do not therefore suggest yourself any improvement of the present system, but you think that such suggestions might be obtained from a native council?—I really feel too diffident to offer any other suggestions as to improvement of the system than those which I have taken the liberty of submitting in the course of this examination. I think it is out of the power of Europeans to do it as it ought to be done; they have decidedly failed. The schemes and attempts of the ablest and most zealous of the public servants in India have been tried in vain; and it is upon this account that I so earnestly recommend the next attempt being made with the aid of native co-operation and experience.

4011. Had you any opportunity of observing the state of property in India under the controul of the proprietary Zemindars, and comparing it with those under the management of the Company?—In the province of Malabar we found a class of Hindoo

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landed proprietors that had been established in the country from time immemorial, the country never having been overrun by the Mussulman power until the invasion of Hyder Ally in 1763. We had here, therefore, a regular and even titled aristocracy of ancient descent; and though these proprietors had materially suffered, and were almost entirely driven out of the country, by the forcible introduction of the Mussulman system of finance, yet upon our acquiring the province great numbers of them returned to resume possession of their landed estates. These estates were generally let to farmers, and for the most part mortgaged to them. The latter having thus an interest in the lands, they were accordingly cultivated with great care, and the produce thereof proportionally abundant; but the proprietors themselves were generally poor, from having mortgaged their estates, in almost all instances to a considerable amount, and in many to nearly the full extent of the net rent. It often happened, indeed, that the farmers, being also mortgagees in possession, were better off than the actual proprietors; their condition, therefore, was greatly superior to that of the ryots or farmers of lands immediately under the management of the Company and their officers, who invariably exact from lands so circumstanced one-half of the gross produce of the soil, or endeavour to exact it, and the consequence to the inhabitant cultivators is, as before explained, universal and wretched poverty. The cultivators of estates in Malabar, being thus more comfortably off, were also much attached to their superior lord, who exercised great influence over them. It must, however, be remarked, that these proprietors were a different class of persons to the Zemindars in Bengal, who had been placed in possession of estates, with proprietary rights, under the system adopted by Lord Cornwallis. The connection between the Zemindar and ryot of Bengal was widely different from that of the proprietor and farmer of Malabar. The excessive amount of the public revenue only leaving to the Bengal Zemindar one-eleventh of the net rent of his estate, his necessities obliged him to trench on the equally insufficient portion of the ryots, and both were accordingly reduced to great misery.

4012. Upon the whole, you consider the farmers and cultivators of the independent estates to which you have alluded as liable to less oppression than those under the ryotwar and other settlements?—Far less; and this I think would be universally the case, if the land revenue would admit of adequate reduction.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

LONDON:
Printed by J. L. Cox, Great Queen Street.

Die Martis, 18° *Maii* 1830.

The LORD PRESIDENT in the Chair.

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Dr. P. Kelly.

Dr. PATRICK KELLY is called in, and the correspondence and papers relating to samples of tea procured for the Foreign Office by His Majesty's Consuls are put into the hands of the witness, and he is directed to prepare a statement, showing the cost per pound of the samples of tea received by the Commissioners for the Affairs of India from His Majesty's Consuls, and the value affixed to the respective samples by the London tea brokers, converting foreign weights and monies into English weights and monies.

The witness is directed to withdraw.

Colonel JOHN BRIGGS is called in, and examined as follows:

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4013. In what situation have you been in India?—I have latterly held civil situations during the last nine or ten years.

4014. You were previously in the Company's army?—I was.

4015. You held for some time a situation in Candeish, did you not?—I did.

4016. What was the nature of the power confided in you?—The designation of the situation was that of Political Agent; I had the whole civil management of the country, as also the political controul.

4017. What may have been the population of the district under you?—I think it was about 460,000 persons.

4018. Was it in a very unsettled state when you went there?—It was in a very unsettled state, and had been so for the last thirty years previous to our taking possession of the country. It had been overrun by bands of freebooters; I believe there were at different times about eighty distinct bodies which had been in the habit of ravaging the country; this was the cause of its being very much depopulated. I think 1,100 out of, I believe, 2,700 villages, for I merely speak from recollection, were rendered desolate altogether; and those which remained were open to the pillages of a race of people denominated Bheels. These people are supposed by some to be the aborigines of the country; but they have been for a long period attached to villages as guardians or watchmen, with certain immunities in land and fees from the people themselves. The consequence of those ravages deprived the inhabitants of the means of supporting the Bheels, who went into the hills, and were in the

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habit of attacking the villages. In order to secure themselves from these assaults, the villagers procured the assistance of foreign soldiery, such as Arabs and Sindies, for their protection. Many villages, not able to do this, purchased the forbearance of the Bheels by the alienation of lands, or rather portions of the produce (a sort of black mail), which they gave to the Bheels to induce them to forbear their attacks. At the time we entered Candeish, the Arabs had gained very great influence and power in the villages, as well as the Bheels. The latter had inspired great terror by their proceedings, and it became necessary, of course, to restore order.

4019. In what manner did you proceed to tranquillize the country?—After having obtained partial possession of the country, we found several places in the occupation of the Arabs, who refused to give them up after the war had ceased, holding them on their own account. Measures were first taken to reduce the power of the Arabs; any arrears of pay or sums of money due to them, and to which they appeared to have legitimate rights, were inquired into and paid; and they were eventually sent out of the country. The Bheel chiefs were then to be dealt with. Those persons who had raised themselves to be heads of gangs were invited down by me from the hills; an examination was gone into of the claims they had on the villages for black mail, or whatever immunities they might have established; and, according to the nature of each case, a pension was allotted to the chiefs, and engagements made to induce their followers to return to those villages to which they originally belonged.

4020. Were those measures effectual?—They had the effect of breaking up the union that formerly existed among them, and enabled me afterwards to reduce those who reverted to their ancient practices, which it would not have been so practicable to have done if we had done it in the first instance, before we obtained that information. Their numbers, when I came into the country, amounted in the estimate to about 5,000 of this description; the number was probably exaggerated, throughout the country, under forty or fifty chiefs. In the course of four years, which was the whole time I was in the country, military operations were occasionally had recourse to at the season of the year when we could approach the hills, for the country was extremely unhealthy at times. When we had recourse to these measures we contrived to surround the Bheels, to cut off their supplies, and to cause them to surrender without any bloodshed. There were not, I think, above fifteen or twenty persons killed or wounded during the whole military operations; and when I came away there was one gang only that I recollect, of forty Bheels, in one particular district, whose chief had just been killed in an affray which had taken

place with some inhabitants of the country passing through it, and this gang was still in the habit of pillaging the country. I do not recollect that there was any more united gangs than those forty persons. The rest of the Bheels returned to the villages, and became the village police.

4021. In what manner was justice administered, during this time, in the country?—Civil justice was administered by the people themselves, under the form of proceedings called punchayet. This is a sort of court of arbitration. When the parties themselves agreed to conform to this mode, the cause was decided by arbitration; but when the parties did not agree to adopt this plan, persons were appointed by the government to hold a court, the parties being previously required to abide by their decision before any proceedings were taken.

4022. Did they appear to be satisfied with that mode of administering justice?—It was the practice of former governments before us. I think they appeared very well satisfied.

4023. Was there any right of appeal to you?—Always. In all cases there was a right of appeal, not against the judgment of the court, but against corruption; for as the parties themselves agreed to abide by the decision, it was not thought right, in the absence of any expense attending it, to leave appeal too open.

4024. Were many appeals required in cases of corruption?—No; indeed, I do not recollect one case where a decree was reversed; nor can I, at this time, say that I recollect any case of investigation of the kind.

4025. It did not appear, therefore, that corruption had actually existed in the conduct of those civil causes?—Certainly not, from the nature of the conduct of the parties.

4026. In what manner was criminal justice administered?—When I first went into the country I misapprehended the instructions I had received, and fell into the practice of trying all criminal cases for upwards of two years by a jury. The system was subsequently altered by the Bombay government, when Candeish was placed under its authority. The jury was composed principally of landholders and influential men in the country, who had to decide upon the fact, while the native law officers, who sat on the bench, promulgated the law, and I then passed sentence according to my own judgment and in accordance to the nature of the sentence awarded by the native law officers. This was sometimes not consistent with our notions of the administration of justice, such as mutilation, or other modes of punishment, and it was not thought proper therefore to adopt it.

4027. In such cases you commuted the punishment?—Yes; entering at the same time on the proceedings what the native

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law officers had promulgated as law. Those proceedings were then sent up to government; and they were not carried into effect, in cases of life and death, until confirmed by the head of the government, for Candeish was then under the sole commission of Mr. Elphinstone.

4028. Who examined the witnesses in this court?—The witnesses were examined by the jury as well as by the Judge. The jury were competent to put any questions they chose, and I found them exceedingly useful in eliciting evidence that it would have been impossible for me, as an European, to understand the bearing of.

4029. How were the jury selected?—There were selected from the landholders and other persons of influence.

4030. By whom were they selected?—By myself; a great number of names were sent in, and I selected a number from them.

4031. Did you understand the language in which the proceedings were carried on?—I believe as perfectly as a European can be supposed to do.

4032. Did the jury appear to take a great interest in the investigation of the truth?—The jury took a great interest in the investigation of the truth, and it appeared to me an exceedingly proper mode of administering justice; its effect was very good indeed.

4033. Was it new to the country, and introduced by you?—The trial by jury was quite new, inasmuch as there had been a series of anarchy for thirty years before; I do not think the system is quite new among the natives of India, under good administration. Criminal justice by a sort of juries I think frequently prevails under the best native governments, and in fact it does so under the government of Sattarah. There are always three or four assessors on the bench, so that, though not a jury, there are always several voices in the administration of criminal justice.

4034. Did the people appear to be satisfied with that administration of justice?—I apprehend that they were quite satisfied.

4035. Was any change subsequently introduced into the mode of administering justice?—The system of jury was abolished, and the whole onus of the subsequent investigation lay upon me as the Judge of the court.

4036. Did the people appear to be equally well satisfied with that mode of administering justice?—They made no complaint of it.

4037. Were you yourself equally satisfied?—Certainly not.

4038. You felt that a very great responsibility was thrown

upon you?—Yes, I felt too heavy a responsibility; I can mention one particular case which will elucidate this subject. There was an instance in a remote part of the country, where a great land proprietor, and a man who had extensive influence and possessions, was said to have put his wife to death. The circumstance was reported to the chief native authority, who required him to appear before him, to account for his conduct. This was a proceeding to which men of his station had not been accustomed under their own government. He refused therefore to go; and on that evening, in a state of intoxication, he, together with his brother and several others, in passing through the town on horseback, attacked the individual who gave the information and killed him. The murderer then went off to the hills in the neighbourhood, and raised a party of followers, for his protection probably as much as any thing else, but it was supposed for the purpose of attacking the legitimate authorities. I immediately moved a body of troops against him; but perceiving, from the reports I had from the local officers, that he was not very popular, I thought it better, instead of carrying the measure so far as to go to war, to procure his seizure. I offered a reward, therefore, of one hundred or two hundred pounds for the seizure of the principal persons engaged in this insurrection. In the course of a fortnight, without any other military operations, the two brothers were brought in to the officer commanding the detachment. Depositions of the whole case were taken, and the parties were sent in to be tried on the spot. They were tried by jury. The jury discriminated between the guilt of the elder brother, who had actually committed the murder, and his younger brother, who was only present, but went off with him into the hills. They found the elder brother guilty of murder, and he was executed on the spot where the crime was committed. In respect to the younger brother, they acquitted him either of being accessary to the murder, of which there were no proofs that he had been a party, though he was present, but there was no proof of his being an accomplice, nor was any evidence adduced that he had been at the head of any particular party in attacking the government. It was only proved that he, with the rest of the family, had gone off with his brother. The jury declared, that, according to the practice of a native government, it was exceedingly likely that not only his brother, but the whole of the murderer's family, women and children, would have been seized had they not gone off together, and that the younger brother therefore was no more guilty than the other parties; that although he was an adherent, and might have been engaged in the insurrection, it did not appear that he had been guilty of any overt act, and, in consequence, they considered that, although his intentions might have been bad, there were no proofs of it; and they acquitted him accordingly, in spite of

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any thing I could say; for I considered that having gone off with his brother, and being known to be with the body engaged in insurrection, he was guilty as well as his brother, though in a less degree. The acquitted chief was afterwards reinstated in all the family estates, and continues, I believe, a good and respectable subject.

4039. Did the juries usually evince the same discrimination in the shade of guilt of the persons brought before them?—I think usually. The person just mentioned was a landholder of rank, as well as the persons who tried him; and he was one of their peers in every respect.

4040. What police force had you for the purpose of reducing the country to order?—We had a very large establishment called Sebundies, a sort of local militia; they could hardly be considered police. I consider the police of the country those that belong to villages; the local militia had little or no local information, and only went where they were sent by the civil authorities. I relied chiefly upon the village police for the preservation of the tranquillity of the country.

4041. Was the village police efficient?—The village police were very efficient, particularly when the Bheels came in.

4042. What number of sebundies had you?—I cannot answer that question; I think there were at first two or three thousand, and latterly only about eight hundred.

4043. What regular military force was there in the country?—The military force in the cantonments of Maligaum consisted of an European regiment, two battalions of native infantry, and some artillery.

4044. Was it necessary to employ a large portion of that force in reducing the Bheels, and bringing the country into a state of tranquillity?—The force was never employed in actual military operations, except in the reduction of the town of Amulneer, after the peace; but they were frequently employed in surrounding and embracing the haunts of the Bheels, in order to reduce them to subjection. On these occasions, the orders the officers received were not to fire upon them, if they could possibly take them. They were mostly armed with bows and arrows; they were found to be a very contemptible enemy; and, for the purpose of sparing bloodshed, they were not fired upon.

4045. In what manner was the revenue administration of the country carried on?—The principal sources of revenue, as your Lordships are aware, is from the land. A settlement was made with villages, in the first instance, and the villages afterwards distributed the assessment among the inhabitants.

4046. In what manner was the amount of revenue assessed in each village distributed, showing what each had to pay?—

An average was taken of the actual collections of ten years, which was supposed to be the amount each village was calculated to yield. My instructions were to adopt the ryotwarry system, which had been adopted by Sir Thomas Munro in the Madras provinces; but there was a measure necessarily connected with the ryotwarry system which it was not possible for me to carry into effect. It was necessary, in the first instance, to ascertain by measurement the extent of the lands, and afterwards to assess each field. The cultivated land was, however, measured three successive years during the time I had charge of Candeish, and the assessments were made by the villagers themselves, the whole amount being fixed at the average of that which the lands had produced for ten years.

4047. In that settlement who negociated on the part of the village?—The legitimate heads of villages. They are in that part of the country denominated Potails. It was through them that the village carried on its communication. They are, in fact, the hereditary chiefs of the villages.

4048. Did not the principal people appear to submit quietly to whatever arrangement the Potails entered into for them?—Yes, they usually appeared satisfied with the arrangements before they were definitive.

4049. Did the Potails remonstrate against the settlement on the average of the ten years preceding?—Neither they nor the people remonstrated at first, for this settlement bore such a strong contrast to the manner in which they had been treated before, that they were exceedingly glad of any measure that had the appearance of justice and moderation. They subsequently complained very much of the average of ten years being taken, in consequence of the great difference which took place in three years in the rise and fall of produce. The assessment being made in money, it became heavy the moment the price of grain fell. When I went into the country, the common grain of the country sold at about four shillings a bushel; when I left the country in four years, such had been the increase of cultivation and the little demand, probably from the absence of cavalry and other circumstances, that the same grain had fallen off to sixteen pence a bushel; it was quite impossible, therefore, that the villages could pay the same amount in money the fourth year as they had done in the first year. The revenues of Candeish consequently fell off very much, though the cultivation did not; and I have reason to believe that they have fallen off much more since, and have never recovered.

4050. When the Potails had agreed with the government what the village was to pay, in what manner did they assess the individual payers?—They assessed them according to the quantity of land each individual cultivated, and according to the

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nature of that land, as well as with regard to its productive qualities as also with reference to its proximity to the village, and other circumstances.

4051. Did that assessment of the individual payers vary from year to year?—It did vary from year to year. I endeavoured to fix it, but it was changed annually in every village by the people themselves; and I found it impossible to carry into effect any permanent money assessment of the land; and I believe it is impossible to render it so where the assessment forms so very large a proportion of the produce as our assessment does.

4052. If any individual payer felt aggrieved, had he any power of appealing against the Potail's decision?—Yes. Eight or ten villages were under charge of a junior civil officer, he might appeal to him, and from him he might appeal to the head of the district, and from the head of the district to me.

4053. How many assistants had you when you were first sent to that country?—I had only one assistant at first. I had subsequently a second assistant sent up, for the purpose of exaining the rights of certain individuals to exemption from payment of the land-tax. The orders of government required me to do it, and I thought it ought to be investigated, but stated my inability to go into a matter of so important a nature. I thought it necessary, therefore, to have an additional assistant. That gentleman joined me, and after being six or seven months in the country he died. I had subsequently two more assistants sent up, and after that some more were sent up.

4054. Did you find you went on as well with one as with three or four more?—Yes. For the young men who joined me were not of much use; they were rather sent up to learn than to perform any important duties.

4055. Have you any means of calculating the general expence of the government of that district?—I think it is on record the proportion that the civil and judicial expences bear to the whole amount of the revenue, but I do not recollect the amount.

4056. What was the receipt of the revenue from the district?—It produced between seventeen and eighteen lacs of land revenue the first year; and in the fourth year, when I went away, I made the settlement eleven lacs only, in consequence of the variation in the price of grain. I understood it fell off subsequently to as low as six lacs.

4057. If, therefore, in that country, or in others similarly situated, there appears to be a falling-off in the revenue, the Committee are not from that circumstance to imagine that the country is deteriorated in cultivation, or that the people are in a worse state than when they paid more?—We are always desirous of keeping up the revenue as much as possible; therefore I think that, though not able to realize the whole amount, we

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press so much upon the inhabitants it must lead eventually to the falling off of cultivation.

4058. In this case, if the revenue had been paid in kind in the last of those four years, the receipt in kind would have been greater than in the first year, when the amount in money was higher?—Certainly, there would have been much more grain yielded to government than in the first year.

4059. And the country appeared to improve in prosperity, notwithstanding the falling-off in the revenue?—I think very much, for a vast number of villages, which had been deserted before, were repopulated.

4060. That prosperity would only be checked by attempting to obtain the same revenue in money from the country in which the price of grain had fallen so much since the revenue was first assessed?—Just so.

4061. What was the proportion of the produce required to be paid to the government at the two periods you have spoken of?—Really I cannot state what was the exact proportion; my instructions were to realize a certain sum of money equivalent to the average of ten years' former collections. I believe that latterly the assessment must have taken at least one-third, probably more; it is assumed that under the native government they are in the habit of taking a half.

4062. Do you mean one-third of the gross produce?—Yes; here is a document which I beg leave to read. It is "An Account of actual collections under the Nabob of Arcot's government, realized from the village of Utramalur, in the Province of Arcot, in the year 1742, derived from the Village Books." This was published in the Asiatic Journal; there is not the least doubt, I believe, of its correctness. The produce of this township being rice, chiefly raised by irrigation from a tank built and repaired at the government expence, it claimed to share half of the crop with the cultivators.

Total produce 71,914 cullums of 4½ bushels, at one pagoda per cullum, is, say		71,914
Alienated in tythes, payments made to village and district officers, and for sundry village expences	13,760	
Alienated to strangers by government	4,368	
Payable in fees to village officers	3,071	
		21,199
Balance to be divided		50,715
Paid to Government, A.D. 1742		25,141
Remainder to cultivators	25,141	
Surplus balance to village	433	
		25,574
		50,715

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One-third of the produce is first cut off from the gross produce, leaving two-thirds to be divided. Actually paid to government 25,141 pagodas, leaving a balance of 433 pagodas in favour of the village, more than half. The land being cultivated by irrigation from the tank, which was kept up at the expence of government, and a certain portion of capital being thus vested by government in the cultivation, the government has in consequence a right to derive some advantage directly from that vesting of capital. The practice, however, was only to take one-sixth of the produce of land not cultivated by irrigation. Had the village of Utramalur been cultivated without the artificial aid of water, and the government only have claimed one-sixth, the following would have been the relative proportions:—

Total produce as above		71,914
Alienations to village and district officers	13,760	
To strangers	4,368	
Fees to village officers	3,071	
		21,199
Balance		50,719
Government tax, being one-sixth		$8,453\frac{2}{3}$
Balance to village		$42,285\frac{1}{3}$
Total		50,719

A village under the British government, in the latter case, would be assessed, according to the most moderate ryotwar system, in money, at thirty or forty per cent. of the produce of each separate field; and such an assessment is, I believe, actually in progress now in the Deccan.

4063. That is a greater proportion?—Certainly; by the difference between one-sixth and thirty or forty per cent.

4064. Was the proportion of rent which you, under the direction of government, obtained in Candeish, the same as had been previously obtained by the native government?—During the last thirty years there has been no rule. The districts were put up for contract, as tolls are in this country, by the native government; the person who bade highest had the district made over to him; the person who got charge of the district was to get the revenue in the best way he could. It frequently happened, before the year was up, the same district was put up and sold to another person; and there was a contest between the two contractors which should realize the money.

4065. That system was an innovation?—Certainly.

4066. What was the proportion on the more ancient system?—In that part of India the system of taking any proportion of the produce has long been abandoned; but the principle on

which the ancient native government always administered the country, and realized the revenue, was by taking a certain portion of the produce, and then converting that produce into money, which varied every year. We seem to have overlooked this principle, and to have fixed the revenue in money, which in fact is the most variable impost which can be put on the land, when it comes to be so onerous as to embrace the whole rent. Rent of land must vary according to circumstances.

4067. Does our system, as now administered, leave less to the cultivator than the ancient system of the native government? —Certainly.

4068. Is not that the case in some years and not in others, according as the price varies?—It may be so, certainly.

4069. If the price should rise, more would be left to the cultivator than under the former system?—Yes; if it were an assessment in rent, it would be possible to realize it, but an assessment on the whole produce must necessarily be fluctuating.

4070. Do you consider the assessment as now regulated too high, or moderate?—I consider the assessment, as now regulated, a great deal too high; and I consider that the principle of the assessment has been entirely abandoned.

4071. So high as to impede the progressive prosperity of the country?—So high as to prevent the existence of landed property in most cases.

4072. Had you any opportunity of seeing the effect of the ryotwarry system?—I was instructed to carry into effect the ryotwarry system, but I found I could not do it.

4073. Is it your opinion that it would be impossible to apply, in India, any one system of collecting land revenue universally? —Yes, I think it would be quite possible, and quite practicable, to introduce a system of assessing whole villages, and allowing whole villages and communities to assess themselves; and I think it is likely such an assessment would be permanent, if we gave up to the inhabitants of the country the waste land, which the government now claim, I think unjustly, to themselves.

4074. Do you mean, in this answer, an assessment in money or an assessment in produce?—An assessment in money.

4075. Could you effect any such settlement where the village constitution had been entirely destroyed?—I think there are in every village in India the ingredients for such a settlement among the people themselves. I think the village communities and the corporations still exist. In the work I have written on the subject, I have asserted nothing from my own experience, but have quoted from others who have written on the subject; and it appears to me that those village corporations and communities do exist in every part.

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4076. Do they exist in Bengal?—Yes; it is stated by Sir Edward Colebrook, Mr. Fortescue, and others.

4077. Have they not been destroyed by the zemindarry settlement?—Yes; I ought to have excepted that. I understand that the zemindarry settlement Lord Cornwallis introduced in 1793 has had the effect very much of breaking up village communities, though not altogether of destroying their internal constitution.

4078. Would not a ryotwarry settlement in a short time equally destroy the village communities?—I think it would. I find in all villages three classes of cultivators: one cultivator, who has a right of selling his land and of paying a certain fixed sum to government; another cultivator, who has not a right of selling his land, but a right of occupancy *ad infinitum*, so long as he pays a certain sum to government, and a certain portion also in fees to the first description of cultivators; there is also a third cultivator, who comes from other villages, and cultivates, by agreement, from year to year. Those persons have quite distinct rights; and I think any ryotwarry settlement which gave to all classes the same rights would be doing injustice to other parties.

4079. Where such a variety of rights exist in the village, would it not be very inconvenient for an European to obtain a lease of any large portion of land thus circumstanced?—I do not know how any Europeans could occupy lands in India, unless the government were to give up the waste lands, which they now claim under the zemindarry settlement, or in places where zemindarry settlements have been made, and the whole of the land has been made over to the Zemindars as proprietors, in the permanent settlement of Bengal.

4080. Do you conceive it would be possible for either of the classes of cultivators you have alluded to to lease to any others?—No. I think lands might be leased to Europeans or any other persons, provided they took them piecemeal; but the assessment is now so onerous, it leaves no landlord's rent.

4081. The land is now almost infinitely subdivided among those small proprietors?—Yes; but as the whole land belongs to the village community, the hereditary rights of individuals continue, I think, for a longer period than entails in England.

4082. But the same right that any proprietor would have, as you describe, to sell his property to another, would enable him to let that property?—Certainly, if the assessment were low enough.

4083. There would be no difficulty arising from the different nature of the cultivation?—None whatever; the only difficulty is that we require to make the assessment lighter, to leave a surplus as a landlord's rent.

4084. In most parts of India, if a man were desirous of obtaining on a lease 500 acres, must he not have leases from two or three hundred proprietors, all possessing different rights?—In many parts of India I think he would be able to obtain it from the village as a corporation altogether, as a community; certainly it would be necessary for the whole of those persons to agree to give up their rights in the particular portions of land belonging to them, but the agreement would be made essentially by the whole village.

4085. The villagers would stand in the degree of landlords, and at the same time of labourers to their own tenant?—If the person who occupied the land were to employ them as the cultivators, certainly.

4086. If he did not, what would become of them?—They could not part with the land to another, if they were not able to derive any advantage from it themselves.

4087. If they did not remain on the land, how could they obtain the rent from the person to whom they let it, or how could they exist, having no other subsistence than the rent they received?—If the land was rented of them they would receive the rent, and that would be the means of their subsistence; it would not be a necessary consequence that they should continue to be cultivators, if they had a surplus rent.

4088. You state that there is no surplus rent?—At present, where there is no surplus rent, such a state of things cannot exist.

4089. Are there any individuals who possess in their own right any considerable portion of land?—Certainly; a great number of individuals possess lands in Candeish, where the rights of the ancient freeholders have been usurped; some possess lands which they hold exempt from payment to the government; those lands they let to other persons. I myself, by way of experiment, occupied fifty or sixty acres of land, and paid a rent for it, and kept the accounts.

4090. Did you hold that from one individual?—Yes.

4091. Had he more land of the same kind that he could have let?—I believe that I rented the whole of his hereditary estate.

4092. How did you cultivate it?—Through the agency of the natives; I had a native bailiff under me, who managed the concern.

4093. Just as you would have managed sixty acres in England?—Yes.

4094. Paying the labourers weekly wages?—Paying the labourers monthly wages.

4095. Did you find any disinclination on their part to be so employed?—None whatever.

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4096. Is it not a common occurrence for various individuals to have different rights upon the same piece of land?—Yes; a person who is a proprietor in some parts of the country sometimes sublets his land. In the provinces of Madras it is very common, where the rents are not very onerous. There he sublets to another person, who pays him a very small fee as a sort of landlord's rent, and pays the assessment of the government; therefore in those two cultivators there is an essential difference, one is the proprietor and the other a copyhold tenant.

4097. Where was it you occupied this land?—I had sixty acres in the vicinity of Sattarah.

4098. Supposing that you had wished to occupy a larger extent of land, could you have obtained it there?—Yes, certainly.

4099. There were individuals who held land in such a way as to be able to let it to you?—Yes; my landlord was a person of family which had been reduced. The land had lain fallow for a long time, and he was in the habit of letting it to the Potail of his village, who gave him little or nothing for it. I was anxious to get some land of this particular tenure, that I might ascertain the portion of produce I could have afforded to pay to government as a cultivator.

4100. How much could you have afforded to pay?—I think the surplus average profit of three years was about twenty-five per cent., which was all. I had to pay to the landlord his rent, and what I should have had to pay to the government, but the government would have taken a much larger sum than I paid to him.

4101. What was the government demand upon that land?—The government demand upon that land, I think, would have been about three or four rupees a bega.

4102. What proportion of the gross produce?—It would have been nearly half the gross produce.

4103. You paid twenty-five per cent. of the gross produce to the landlord?—That was all the surplus I had to enable me to pay the landlord.

4104. That twenty-five per cent. pays for the expences of cultivation?—No; I did not pay so much as twenty-five per cent. to the landlord; I think, not above twenty per cent. About twenty-five per cent. was the profit, after deducting the expence of cultivation. If I had had to pay the tithes and taxes, village expences, and so on, I should have been ruined; I should not have been able to pay the landlord what I did. But I had but little time to attend to it, and I did not understand the nature of agriculture much. To have continued it, I suppose, would have been a very losing concern.

4105. Was your profit only the difference between the twenty-five per cent. and what you paid to the landlord?—Yes; twenty-five per cent. included what I paid to the landlord; it was what remained after paying the expences of cultivation.

4106. Did you pay any thing to government?—No.

4107. You paid no village dues?—No.

4108. Therefore the result of your experience was, that being relieved from government and village taxes you had but twenty-five per cent. left to pay rent?—Yes; just so.

4109. What would have been your loss upon the speculation, if you had paid the government tax and the village dues?—I could not have paid the landlord any rent if I had had to pay the government tax and village dues.

4110. What would have been the loss if you had been called upon to do so?—Possibly ten or twelve per cent., or probably more. If the government had taken one-half, the loss would have been very considerable. I must have abandoned the experiment altogether.

4111. Have you observed any marked preference in the native cultivator for one mode or principle of assessment rather than another?—I think they prefer the assessment I made in Candeish; the assessment of the village, and allowing the people to manage their own concerns.

4112. Who paid the revenue to the government when a village was assessed?—It was paid through the agency of the potail, who collected, and sent it by one of the village servants to the head man of some greater division of eight or ten villages, and he sent it to the head of the district. It was collected monthly, and sent to my treasury.

4113. Was there any considerable expence of collection?—There was no considerable expence in the collection of the revenue, nor any permanent servant sent round to individuals for the money. The revenue was collected by the potail, through the agency of village servants.

4114. In default of payment by the potail, how could you obtain the revenue?—I must have ascertained what particular individuals had failed in making their payment, and must have distrained their property.

4115. Did it happen that you were called upon to do so on any particular occasion?—On some occasions, I was obliged to do so, but not on many. The principle of the administration was to be very lenient; and whenever I recommended that remissions should be made, and stated it to be impossible that the people could pay, the remissions were given.

4116. Had you any opportunity of learning the mode of administering the government under a native prince?—I have re-

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sided, during the greater part of the time I was in India, in the territories of several native princes, and have had opportunities of conversing with the people. After the battle of Mehidpoor I was for a short time in charge of the conquered districts of Holkar in Malwa, and I was for four years at Sattarah.

4117. Was the district of Sattarah conducted entirely in the native mode?—Certain regulations had been introduced under the orders of Mr. Elphinstone, by my predecessor, Mr. Grant Duff. Those regulations were framed on the native system, with very little alteration on our part; and I think, therefore, I may say, that the administration of the government of Sattarah, as it now exists, may be deemed a good specimen of the management of a native government.

4118. Have the goodness to describe that mode of management, distinguishing the judicial from the revenue administration?—The country is divided into districts, each yielding from a lac to 1,50,000 rupees, containing from one hundred and fifty to two and even three hundred villages. Over this district is an officer, called a Subahdar. That district is then subdivided amongst a great number of other junior officers, each having from six or eight to twenty villages under his charge. The whole civil and judicial business is conducted through those officers, each village having its own native institutions prescribed to them. The village institutions are so well known, as stated both in the Fifth Report and in my work, that it is perhaps unnecessary to go into a detail of them.

4119. Then the same officers possess revenue and judicial power?—Yes. In the collection of revenue the settlement is made with villages by the subahdar and the junior district officers together, usually under the superintendence of the Rajah himself, who makes a tour every year for that purpose.

4120. In what manner is the annual assessment fixed?—It is fixed with reference to the sum yielded in former years. In that part of the country (Sattarah) there has been an ancient permanent assessment of lands, which is recognized; the lands which are cultivated every year are assessed in that sum; each particular bit of land is assessed according to the rates of different villages. Lands which lie waste are excluded from the amount of annual settlement. Lands which are only lately brought into cultivation, or brought into cultivation according to a certain agreement, in an increased ratio, until they have been cultivated for seven years, pay accordingly; when at the end of the term, they pay the whole amount of that which is considered the full assessment.

4121. The assessment varies every year?—Yes, the assessment varies every year.

4122. Did it appear to you that injustice was practised by

those native officers in the assessment of the revenue on the villages?—No, I think not. I think that the villagers themselves, where the assessment was left entirely to them, managed to satisfy each other. No doubt there were partialities to certain individuals, but I think that in this respect we are very apt, in going into those investigations, to confound the rights I have so often alluded to, of the different descriptions of cultivators. In Sattarah the people appeared to be satisfied with the arrangements, when the distribution of the assessment was made amongst themselves.

4123. Was the revenue paid in kind or in money?—Always in money.

4124. Was it lower generally than the assessment in our provinces?—I think not; I think much the same; but the country was falling off; and one year particularly, when there was a great drought, and there ought to have been a very large remission, I was unable to induce the Rajah to consent to that remission. The consequence was, the occupants left the country, and did not return for two years; whereas, under the government of the Putwurdhun chiefs, they relinquished the land tax almost entirely in that year; and in the next year the cultivators were all present, and paid very largely, while in the subsequent year the Rajah hardly got any revenues.

4125. Did the Putwurdhuns exact the arrears of the former year?—No, I think not.

4126. Was the punchayet used in the district of Sattarah?—The punchayet was the only mode of administering justice.

4127. Were you ever in the territories of Khota or Bhopaul?—No, I was not. On the subject of the administration of the punchayet under the native government, I shall be able, perhaps, better to explain the native system if I read some notes I have made upon that subject. It appears to me, from all my inquiries, that there were several courts: first, the village court, in which the potail and the inhabitants of the village decided all cases by arbitration; all cases that had reference to the inhabitants of the same village. From this court an appeal lay to a certain district officer, which in the Mahratta country is called Desmook, recognized in all parts of the country as the district officer. From the Desmook appeals lay to the Subahdar, and eventually to the sovereign.

4128. In each case was there the use of the punchayet?—Not in appeal cases. The following is the mode of proceeding in these courts. Before a plaintiff can have his cause inquired into, he is obliged to give security to prosecute and to make out his case, on pain of fine or fee. The defendant is then obliged either to satisfy the plaintiff, or to give security for the amount sued for. If the cause is to be litigated, the plaintiff and defendant are bound over to appear on a certain day, in

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failure of which judgment should go by default. It frequently occurs that the parties join issue on a particular point, on which the cause rests, and is decided. The award being given, both parties are required to give security for fulfilment before the proceedings are closed; and if the defendant be required to pay a certain sum of money, it was necessary for him to give security for it. In these proceedings all witnesses are examined *vivâ voce*, and all testimony is taken down in writing, for the facility of appeals.

4129. Are there persons in the inferior courts generally capable of taking the evidence in writing?—Yes, always. It usually happens that most of the members can write. The proceedings are all taken down in writing; not only the person signs his name as the person who has written out the proceedings, but two witnesses are also necessary. In conclusion, all the members of the punchayet are required to write that they have come to this decision.

4130. To what extent is the knowledge of reading and writing carried among the natives of India?—It extends universally among the Brahmins, shopkeepers, and merchants; not very generally, I think, among the other classes; but there is no instance of a Brahmin or shopkeeper who cannot read and write.

4131 Are there schools maintained by themselves in almost every village? Yes; some schoolmasters were sent up from the college of Bombay to the Rajah of Sattarah. They had been educated in certain elementary schools at Bombay. The Rajah would not receive them; he said they were not persons that would answer his purpose at all; he said he had plenty of schools: and in the small town of Sattarah, where the population did not exceed 10,000 persons, I was surprised to find that there were forty schools; in Candeish and in the Deccan generally, schools are common; and all Brahmins, the sons of bankers and the sons of all shopkeepers, or any persons who have any thing to do with business, are taught reading, writing, and accounts.

4132. Were all the persons returned to you to serve on juries persons capable of reading?—I admitted only those capable of reading and writing to serve on juries.

4133. What sort of proportion of the persons returned to you did you find capable of reading and writing?—All those that were returned to me were capable; I required them all to be persons of that description.

4134. Have you any doubt of a perfectly adequate supply of persons of that description being found?—No, I think not; if it be desirable to adopt the system of juries in India, there are certain classes of people who, I think, should be bound to serve,

such as persons who have immunities in lands, and other special privileges, which they receive from our government, for doing in fact nothing, though they had claims on their services under the native governments. Such persons, I conceive, should be compelled to serve on juries.

4135. What is the origin of those immunities?—They have been granted by former governments for services performed or to be performed, and for the support of temples and buildings which have fallen into ruins, or for the support of offices which have not been kept up.

4136. You said you appointed the jurors out of the number of persons returned to you; do you think that mode is as satisfactory to the people as if the jurors were selected by lot?—I think it would not be so satisfactory as a system.

4137. Is waste land of the different villages considered under the native government as belonging to the community of the village, or to the government?—In the Mahratta country, under the Peishwa, it was commonly considered as belonging to the government. In some parts of the Peninsula, it is believed to belong to the village communities. I think in the Carnatic it has been shown, by the Minutes of the Madras Board of Revenue, that the waste lands belong to the village communities; and I have no doubt, under the ancient Hindoo government, that was the case; but in a country that has been for the most part conquered for 600 years by the Mohamedans, very few of such privileges have been allowed to remain. The further we go south, where the Mohamedans did not conquer, we find the Hindoo institutions and the rights of landed property more perfect.

4138. Are the cultivators of the village bound down by any particular mode of cultivating the lands in that particular village, or does each cultivate as he chooses?—It depends upon the nature of the land. Where the lands are cultivated by irrigation, the whole land is considered as belonging to the community; and they draw lots for certain portions, part of which each cultivates.

4139. Each individual does not cultivate the same land in each particular year?—No, not in those villages where the whole is distributed annually. I find this prevails in Italy, and also in Egypt, where the practice of irrigation extends very generally; for it is impossible to say how much water can be afforded to each field. It therefore becomes necessary to allot fields to individuals according to the proportion of water which can be allotted to them. This seems to be the cause of the distribution of lands annually to individuals. This practice, I believe, does not prevail in dry lands, where the same cause does not exist. There they cultivate the same lands annually.

4140. Are there any rights similar to those existing on our

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common field lands; any right of pasture?—Yes; I think that extends throughout India. It has been particularly explained by the Board of Revenue of Madras how those rights extend, not only to the mere pasture, but to the whole of that part of the common which the village possesses. That right is called Gutcool, and is adverted to by Mr. Elphinstone and Mr. Chaplin in their reports. In the Deccan those rights are very frequently sold. With regard to the right of grazing over the common lands of the village, the villagers will not allow the cattle of other villages to graze there.

4141. Are the waste lands included in the village valuation, or is there an extra valuation?—They are included in the valuation.

4142. In the territory of Sattarah, does the government claim the waste lands or not?—The government, I believe, claims the waste lands in all those countries which have been subdued by the Mohamedans, who claimed them as lands they were at liberty to give for the support of temples, and for the support of other institutions, such as colleges and schools; and those rights which the Mohamedans assumed reverted to the Hindoo government, when the Hindoos recovered those countries. But under the Hindoo governments in the South of India, not conquered by the Mohamedans, particularly in Malabar, Canara, Travancore, and the Southern Carnatic, I conceive there that those waste lands belong to the village communities, and that this right is fully recognized in those countries.

4143. If therefore we claim as government a right to the waste lands, we claim that which has been exercised by our predecessors the Mohamedans?—Yes.

4144. What means of education have the native gentlemen, persons of a higher description, in the part of the country you are acquainted with?—The native gentlemen, the Mahrattas particularly, neglect their education very much; they are a good deal like the ancient barons here, who thought more of war, and the sword, and field sports, than of education. When the Brahmins succeed to territorial property, they are educated as Brahmins in general are; but the Rajah of Sattarah always complained to me that he could get none of his chiefs to allow their sons to be educated; he found he had a great difficulty in getting the young nobles or gentlemen of family to learn any thing.

4145. Are the Putwurdhuns educated?—Yes, all of them; they are Brahmins.

4146. To what extent has their education been carried?—The facility of reading and writing in the books brought before them. They have their ancient mythologies, and some few histories of

the Mahratta government, which they are fond of reading or of hearing; but there is very little encouragement to literature among them. I think that the natives generally, however, are desirous of receiving information. On more than one occasion I have found them so. I met two Brahmins one day sitting on their horses reading, on their journey, books which had been printed in the College at Bombay. I asked them where they had got them, and if they bought them very cheap; they said they bought them very cheap at Poona. They were some of their own stories.

4147. Have you observed among the gentlemen of higher classes a disposition to become acquainted with the English language or English literature?—No.

4148. Has the Rajah of Sattarah any knowledge of English?—He has no knowledge of English, and I think he would have a great repugnance that any of his family should learn it; that arises from a jealousy of our power, and the fear of their assimilating too much to ourselves; he is exceedingly jealous of such an assimilation and of our rule, though he owes every thing to it; but the feeling is natural.

4149. What language does he understand?—He speaks the Mahratta, which is his native language, and the Hindostanee; he has studied a little Sanscrit; he is a very intelligent clever man.

4150. Is mutilation of limb part of the Hindoo law as well as the Mohamedan?—It is.

4151. Is the authority of the Potail over the village recognized by the Hindoo law?—Yes, certainly, I believe, in all law books. In the 8th chapter of Menu it is said, in verse 14, "He (the king) shall appoint a lord of one town, a lord of ten towns, and a lord of a thousand," and so on. This I conceive to allude to a Potail.

4152. Is the Potail appointed by the sovereign or by the villagers?—The Potail is originally, I believe, an elective magistrate; but in the course of time he, in some places, succeeded from generation to generation, instead of being elected by the people. The office should be confirmed by the king. He is employed by the village as the representative of the people, and by the king as the magistrate of the village. When I was in Candeish I frequently removed officiating Potails from office on complaint of the people, and allowed them to elect another, whom I confirmed.

4153. Does the same jealousy as you have described in the Rajah, with respect to the acquaintance with English literature or English habits, extend to other chiefs and persons of an inferior description?—I think, generally, to the upper class.

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4154. Not to the lower?—Perhaps not to the lower; they do not much think of it.

4155. Does the Potail appoint the inferior officers, or are they elected by the natives?—I had not an opportunity of knowing that, from seeing any village newly created, but the impression on my mind is that they were. In most parts villages appear to be divided into six, eight, ten, or twenty original shares; those were probably the original proprietors of the whole land; these divisions have become minutely subdivided, the entire shares being still recognized, and are called after the names of the original proprietors. Those proprietors probably appointed the village officers, such as the carpenter and blacksmith, and other village officers known to exist in every village. In India they have a curious mode of retaining the knowledge of the limits of villages, by apportioning lands for domestic officers on the borders of the village, beyond the ordinary course of cultivation. This being the case in all villages, it is very easy to recognize them, for each man knows which is his particular field.

4156. Those officers are all hereditary now?—They are.

4157. Who supplies the place of those village officers in the Bengal territory where the zemindarry settlement is established?—I do not know; but I believe those village officers still exist, except perhaps the police. By the Regulations of the zemindarry settlement, the Zemindars were exempt from the maintenance of the police, which gave to them a plea for seizing on the lands appropriated to that purpose. I conceive that much of the decoity we hear of owed its origin to the dispossession of the proprietors of their lands. Thus dispossessed, they collected in bands, and made war on the villages wherein their rights were taken away. I draw this conclusion from what I have read, and from the conversations I have had with persons from Bengal, such as Mr. Fortescue and others. Such appears to me to have been the origin of that peculiar system of gang-robbery, and that much of it arose out of the zemindarry settlements.

4158. Do you think that the system of decoity did not exist before the establishment of Zemindars?—I have no doubt that gang-robbery existed in all parts of India, but not that particular description of gang-robbery; nor was it ever carried to the extent it has been in Bengal. I state this as a mere matter of opinion, but I know that similar attacks on villages are made in all parts of India whenever landholders have been deprived of their rights.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Die Veneris, 21° *Maii* 1830.

The LORD PRESIDENT in the Chair.

GEORGE HARRIS, Esq. is called in, and examined as follows:

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G. Harris, Esq.

4159. WHAT situation did you fill in India?—I was a free merchant in India.

4160. Were you under licence from the Company?—Yes.

4161. At what time did you first go to India?—I went to India in 1793.

4162. In what capacity did you first act in India after you first went out there?—I was Assistant to the Salt Agent at Bullooah, though out of the service.

4163. How many years did you continue to act in that capacity?—From the year 1794 to 1801. I think I came over to England in 1801; and whilst I was in England, a Company's servant was appointed to the situation, and I was displaced.

4164. You not having been a Company's servant?—No; the Assistants to the salt agencies throughout the country at that time were out of the service.

4165. In what capacity did you go out the second time?—Under the same licence. I had it renewed at the East-India House.

4166. What occupation did you undertake in India upon that duty of Salt Assistant ceasing?—When I went out the second time, I first went into the trade at Luckipore, in calicoes, and which, in about two or three years afterwards, was quite knocked up by the manufactures of Manchester. I then went into the indigo manufacture, in January 1808.

4167. Where did you establish that manufactory?—In the district of Kisnagur.

4168. You continued in that occupation during the rest of the time of your residence in India?—I did.

4169. What was the extent of land which you brought under indigo cultivation during that period?—I had generally about 36,000 begas in cultivation; from 30 to 36,000. Three begas in the district of Kisnagur go to the acre.

4170. Did you find that an advantageous employment of capital and of land during that period?—Yes, certainly I did.

4171. In what manner did you possess yourself of the land you required for that purpose; and what was the nature of the interest you had in it?—By advances to the ryots, the tenants of the land, I got the land cultivated, having no interest myself;

21 May 1830. not being able to have an interest myself in the land, under the Regulations of the Company.

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4172. Do you think the indirect interest you were thus enabled to acquire sufficient to give encouragement to the employment of European capital and industry in that species of cultivation?—We often found that we wanted greater interest, and frequently took large farms, though in the names of servants, to the great danger of loss at times, putting ourselves so much into the hands of our servants.

4173. You conceive, then, that were the power of holding land granted to Europeans, greater encouragement and security would be afforded to persons disposed to embark their capital?—Most undoubtedly; judging only from the manner in which the lands improved while they were in our hands, or holding them myself as farms, that the improvement was always extremely great; the villages I had in hand increased in value from two-thirds to three-fourths. I could give an instance of having paid rents for a single village, three or four hundred rupees when first I went into the indigo cultivation, and when I left it having paid 1,300 for the same village, and collected the 1,300 with ease, when at first I lost money by the three or four hundred, merely by the encouragement given by us to the ryots; that it is our interest to keep them in good humour, and to be easy with them in all circumstances when they have to pay their rents, and to furnish them with money when they wanted it.

4174. You conceive the ryots thus circumstanced were more favourably off than they would have been under any other system of cultivation now prevalent in India?—Undoubtedly; and even better off than under the Talookdar. The Talookdars were very ready to let Europeans rent villages, for when they came back into their hands after three or four years, they found them generally better cultivated, and more inhabitants in them.

4175. You found rather a competition as to land offered to you for cultivation?—Yes, in some cases. I was not much encroached upon myself; but sometimes, for fear of encroachers coming within the district I had in cultivation, I used to take those villages, in order to secure myself.

4176. Did you experience any difficulty from disagreement with the ryots or possessors of the land as to the terms upon which you held them?—Very few indeed; in general they acted as conscientiously as most people in their situation would do; no more than is to be met with even from farmers in this country.

4177. Were there any instances in which they let the same land to more than one person?—There have been instances of that, certainly.

4178. But not to such a degree as to present any material obstacle to the undertaking?—Certainly not.

4179. Can you state nearly the number of the ryots that were employed upon your farms?—Not very accurately; the advances to them beginning perhaps from one bega up to forty, so that I could not state, within any compass hardly, the number that might be on the books of all the factories; having eighteen different factories at that time, not of the same size, all of them, but varying (in what we call the vats) from twelve to two, the extent of cultivation at the same time varying likewise.

4180. Did you find them generally industrious as labourers?—Certainly; our labourers for the manufacture were separated from the ryots; he does not take any part in the manufacture of the indigo after he has delivered the plant.

4181. Amongst what class did you find those labourers for the manufacture?—The common people of the country, as labourers, are found in the villages. I suppose, during the manufacture, which lasted about two months, I had from two to three thousand men in constant employment.

4182. Had you any or what number of Europeans employed under you?—None whatever.

4183. Do you conceive that under any circumstances, supposing the intercourse with India to be more open to Europeans, it would be for the interest of any capitalist engaging in indigo concerns to employ others than natives as assistants, both in the manufacture and the cultivation?—Many do employ them. I had a great dislike to employing European assistants, because I found the natives always fully sufficient and always trustworthy, and the more confidence I had in them, the more deserving I found them of it; I placed the greatest confidence always in the servants under me.

4184. Do you think that probably much employment would, under the circumstances stated, take place; to such an extent as materially to interfere with the employment of natives?—I think not.

4185. Can you state what would be the difference of cost in the employ of European and native servants?—No European servant we could get could stand the climate sufficiently to undertake the business; I have no idea, except as overseers, that they could be employed; assistants we call them.

4186. What would be the difference of expence of European and native assistants?—We gave an assistant from one hundred to one hundred and fifty rupees a month, a native from twelve to twenty.

4187. What would a half-caste cost?—I should think he would not, if a man of any character, come under one hundred rupees; we gave a Portuguese fifty rupees, who is merely a

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person not superior to the native in general character, but is considered to have a little command over them, that is, where private cultivation prevails.

4188. From the experience you had, you have no reason to repent your own determination to give a preference to the employment of natives in the highest situations under you?—Certainly not.

4189. From your experience of the natives under those circumstances, do you conceive that the introduction of a greater number of European settlers would lead to frequency of dispute, or produce other consequences detrimental to the native population?—I think it might in general; that depends upon the person to whom the factory belongs, how his business would be conducted. If he saw the least symptom of violence in an assistant or an overseer, he would discharge him at once, because it must be his interest to use the ryot well; and as we are all influenced more or less by self-interest, of course we should keep the ryot in the best possible humour.

4190. Have you observed that there exists at present any indisposition upon the part of the ryots or natives to the intercourse and co-operation of European settlers, when they are to be found amongst them?—Not at all.

4191. Do you conceive that from such intercourse the natives would be gainers, or otherwise, in point of instruction and morals?—I should think very much so.

4192. Have you observed any disposition to improvement in agriculture on the part of the ryots themselves, and upon their own account, when circumstances have admitted of it?—Yes, I think I have.

4193. What have been the circumstances most favourable to that improvement which have fallen under your observation?—Their better condition, in the districts where indigo was chiefly cultivated, enabled them to have a greater number of bullocks for their ploughs, and the ground was better cultivated as they improved in means. Wherever a ryot can save a few rupees, the first thing he does is to buy a bullock; his property is chiefly, if not all, in stock, and the bullock is the only animal used in the plough.

4194. You think there is a disposition on the part of the ryots, where the circumstances in which they are placed enable them to save any thing beyond that necessary for their actual support, to expend it in improvements of that nature, rather than in mere extravagance?—Yes, certainly.

4195. Were the population with which you were acquainted entirely Hindoo?—Not entirely; the general population in Kisnagur, I think, was two-thirds Hindoo to one-third Mussulman, speaking of the district generally.

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4196. Should you make any distinction with respect to the two religions, as to the opinion you have formed, their habits, their integrity, or their industry?—The Hindoo, compared with the Mussulman, is a man of much superior character generally as a servant.

4197. You would prefer, under the same circumstances, to have to do with a Hindoo population?—Most undoubtedly.

4198. Did you observe any religious jealousies on the part of the Hindoos, or more particularly the Brahmins, of Europeans settling amongst them?—None whatever.

4199. Are you of opinion that such would arise if the number of Europeans were greater than it is now?—I should think not, as the new settlers would be chiefly of the better informed Europeans.

4200. Your opinion, then, of the safety of a more frequent settlement of Europeans in India is founded upon the belief that it would in general consist of persons of a superior character and education to those of the lower orders?—Certainly

4201. Have you had occasion to observe particularly any other species of cultivation than that of indigo?—No, I have not.

4202. You have not seen any thing of the cultivation of sugar?—No; there is very little sugar or cotton cultivated in that district.

4203. Is there any alteration in the existing laws and regulations, by which you think the cultivation of indigo might be more generally and beneficially extended?—I can hardly form an opinion upon that subject. I should think the possession of lands legally would enable the European to do more than he did indirectly, and judging only from the improvement that took place whilst the lands were in our possession.

4204. Have you any means of knowing whether the improvement in those lands has continued or increased since you left India?—I believe it has considerably increased.

4205. What was the state of the police and of crime in the part of the country in which you resided?—That relates so much to the office of the magistrates of the Civil Service, that I can form a very little judgment upon that subject; I think the police of Kisnagur at one time was in a very low state indeed.

4206. What appeared to you to be the crimes most prevalent among the native population?—Whilst I was in Kisnagur, the crime of decoity and gang-robbery was at its height; not that ever I was molested by the people in the least, though perhaps residing in the very next village to them; and I remember only one instance where they attacked an indigo planter whilst I was there.

4207. Were those gang-robberies carried on by persons who

21 May 1830. at other times were engaged in the cultivation of land, or by professional robbers?—By professional robbers.

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4708. Do any means occur to you by which that species of offence might be diminished?—No, I cannot state any. It is now greatly diminished throughout the district. The East-India Company took great pains to put it down. An indigo planter was the person under whom the greatest number of those decoits were taken up and brought to punishment; he was afterwards made a magistrate of Calcutta, and is now a magistrate of Calcutta.

4209. Your experience in the salt department relates to a remote period?—A very remote period.

4210. Is there much difference in the quality of the indigo produced in different plantations?—It depends entirely on the goodness of the plant.

4211. More upon the goodness of the plant than the soil?—The soil, of course, has its effect on the plant.

4212. What was the state of education among the ryots and native population with whom you were in immediate contact?—In a very low state—little village schools; there were no other means of education, except for the higher classes.

4213. What sort of education was given at those village schools?—Merely a little writing, and reading Bengalee, and keeping accounts.

4214. Did you observe any taste for learning?—Yes; they were all eager to learn; the boys went with the greatest pleasure to it; and some of the little tracts published concerning geography, and those little things which the missionaries at Serampore published, they would come and copy.

4215. Did you observe, among such of the natives as had at all any means of indulging it, a disposition to use and procure English manufactures and commodities?—As far as their means went; it was the greatest present you could give to a native servant—the present of a piece of broad cloth. When I have gone to Calcutta they have requested me to bring them back pieces of broad cloth particularly.

4216. Have you any doubt that an increase of means on their part would be attended with an increased demand for English commodities?—Amongst the better classes, certainly.

4217. What is the expense of bringing into indigo cultivation any given number of acres of land?—We advanced two rupees a bega for the cultivation in the first instance, and one rupee for seed and weeding.

4218. Does the ground require much preparation for the cultivation of indigo?—It is a small grain, like turnip seed, and the better the ground is dressed the better the produce.

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4219. Did you carry out with you large capital with a view to this speculation?—No, I did not, when I went to India first; when I entered into the indigo trade I had capital of my own.

4220. A great deal of indigo is cultivated by borrowed capital, advanced by the agency houses, is it not?—Yes; they are persons who deal in money, and who must get their money employed somehow.

4221. What is the usual rate paid for money advanced in that way?—Eight, and ten, and twelve per cent.

4222. Under that rate of interest, does the cultivation of indigo generally answer to the European?—Yes, certainly.

4223. Is not the rate of interest less now than formerly?—The rate of interest is eight per cent.

4224. You described a great number of labourers whom you employed during part of the year; how were they employed during the other part of the year?—They are workmen in the villages; many of them from great distances, where they cannot find labour. Hundreds I had in my own employ; some came from the distance of Nagpore, four, or five, or ten days' journey, for the purpose of getting employment, as Irish labourers come into this country.

4225. After the labour was over, they returned to their homes?—Yes; taking with them the little money they had saved.

4226. With whom did you agree for the leases you held in the names of your servants?—With the Talookdars and Zemindars.

4227. How many different leases had you?—At different times not above three or four large tracts; some leases including ten or twenty villages; some including as high as fifty villages I have had in one lease.

4228. What was the extent of land you held under lease, and what was the extent of land employed in the cultivation of indigo where you only made advances to the cultivators?—That I cannot accurately say; my cultivation was increased thereby in the villages that I got on lease; what the proportion was, I cannot say at all.

4229. What were the stipulations on each side in any of those leases?—I, by taking the lease, was placed in the Zemindar's situation, and paid him what sum of money he demanded. We took them, I think, at a little loss, in general, he rack-renting the villages first to an Izadaar, then to a second one called a Dur-Izadaar, before it came into my hands.

4230. You, having taken that lease, stood in the place of the Zemindar, and stood accountable to government for the revenue?—No; I paid that to the Zemindar, who paid to government.

21 May 1830. — G. Harris, Esq. If I could not trust the Zemindar, I very often paid it myself to government, having got him to agree to it, for it was not always that he would; they are generally very extravagant people, and I got them to agree, if I could, that I should have the lease on those terms, and that I should pay the portion due to government to the Collector of the district, the remainder to go the Zemindar.

4231. By that lease you became possessed of all the rights of the Zemindar over the ryots?—I always so considered.

4232. Was there any written agreement between you?—Always.

4233. Was that written agreement recorded in the Collector's books?—Not always, sometimes it was.

4234. Had you ever occasion to go before a court of justice with any of those persons?—No, never.

4235. Nor with any of the ryots to whom you made advances?—Never.

4236. What were the rights of the Zemindar to which you succeeded by becoming possessed of that right; what power had you over the ryots?—I had the power of distraining for rent if they fell into arrears.

4237. Was that rent to you fixed?—It was.

4238. Was that stated in the lease?—Yes; a rent roll was delivered.

4239. You gave to a Zemindar a fixed sum, and for that you succeeded to his right of taking from the ryots a fixed sum annually?—Yes.

4240. Was the payment of each ryot mentioned in the rent roll, or only the total payment of the village?—The payment of each ryot.

4241. What power of directing the mode of cultivation had you under that lease?—None.

4242. Then what was the benefit of the lease?—To keep other people off, and to induce the ryot to cultivate more land for me in indigo, through the goodwill of the ryot; getting him to cultivate more land for indigo than he perhaps would have done if I had not taken the lease.

4243. The only difference under the lease was, that he was to pay to you instead of paying to the Zemindar the same sum?—Yes; but the ryot had a friend. Whenever the rent-day came, I paid the rent of the village; I never looked to him till he sold his crop; I never forced him to pay his rent at any time when he was distressed for money.

4244. When you had a lease, did you make any advances to the ryots for the cultivation exactly as when you had no lease?—Yes.

4245. Then you cultivated no more in the one case than you did in the other?—No.

4246. The advantage of the lease was, that you were able, as you think, to keep out interlopers more effectually than you would without a lease?—Yes.

4247. That having the lease, you could prevent the ryot making an agreement to deliver the crop to more than one person?—Yes.

4248. Do you apprehend, that if Europeans generally were enabled to hold leases of that description, the production and manufacture of indigo would be increased?—I should think not much; all the lands fitted for it almost are in cultivation; a certain quantity of land must remain to cultivate rice, and other necessaries of food. A certain proportion only of the ryot's land can be put into cultivation for indigo.

4249. Must not the amount of indigo produced depend upon the demand for it?—Yes.

4250. That demand would not be increased by the Europeans holding lands?—No.

4251. Therefore neither the cultivation of indigo, nor its manufacture, would be at all increased by an alteration of the law?—I do not see that it would be increased by an alteration of the law.

4252. Supposing you had made advances for the delivery of indigo produced on 5,000 begas, and that you were desirous of establishing a factory, for the purpose of manufacturing it, what would be the cost of that factory?—The cost of the factory forms a very small part of the outlay.

4253. In what does the outlay consist principally?—In the advances, and in the expence of the manufacture; the building, (*id est*) the brick and mortar, is a very small proportion.

4254. What was the annual amount of your advances on the 36,000 begas?—My annual outlay was about two lacs of rupees.

4255. That is the outlay in advances only?—In advances and labour.

4256. What proportion did those advances to the ryots bear to the expence of manufacture?—I can scarcely tell; I should think not so much as one-half; I should think about one-third, or nearly one-half.

4257. Had you any difficulty in disposing of those factories when you left the country?—None whatever.

4258. Are there generally persons desirous of entering into the employment?—In general.

4259. Would persons desirous of entering into the employment be equally willing to take off the hands of the indigo

21 May 1830. planter, who wishes to retire, the lease he had of his lands?—Oh yes, certainly.

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4260. Did that lease, in your opinion, give you the power of obliging the ryot to cultivate indigo?—No.

4261. You never found any difficulty in inducing him to do it?—No.

4262. It did not interfere with the position of the ryot, but left him exactly as he was before?—Yes.

4263. Was any part of the capital you employed a borrowed capital?—Part of it was, at first.

4264. What security did you give to the agency house that advanced that capital?—I gave none.

4265. What security have they usually?—They in general make an insurance to cover the advance of money to indigo planters to whom they lend their money.

4266. Do you mean by the demand of a higher interest?—No; the agents latterly expected a life insurance to be made for a twelvemonth; when they sent in the annual account, they made the person take out an insurance for the balance of that account, and if that balance increased, the insurance was increased; if it diminished, the insurance was diminished annually, if it was an annual insurance.

4267. Upon what principle was the rate of insurance calculated?—The common rates of life insurance in that country.

4268. Are you aware in what proportion they differ from the rates of interest?—I am not aware.

4269. Can you state the premium upon a life of forty?—I cannot.

4270. The agency houses had no apprehension of not receiving the amount of what they had advanced, provided the indigo planter lived during the year; the only danger they contemplated, was that of his death?—If he died, his death paid off his account.

4271. Therefore they took a life insurance; but they had no other security—no power over the crop?—No; sometimes they had the security of the Factory; the crop they could have no security on.

4272. Is it the custom with individuals to enter into a joint security with the manufacturer who borrowed the money of the agency house?—Very seldom.

4273. Then the agency house may be considered to advance the money of its customers to those indigo planters, without any thing that can be considered as legal security from the planters to whom the money is advanced?—No, none.

4274. What proportion, in the part of the country with

which you are acquainted, do those whom you call the better classes bear to the others?—I cannot at all say. 21 May 1830.

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4275. Is it only the better class who would, in your opinion, be demanders of British manufactures?—I should think only the better class; I mean by that the class we employ as our head servants, and whom we call gomastahs; people immediately under us, to do all the business, and keep the accounts, and attend to the cultivation.

4276. Those are the persons whom you employ as assistants?—Yes.

4277. Those are the only persons who would demand broad cloth?—Those are the only persons who would demand European articles.

4278. Can you look forward to any state of things in which the great body of the people would become consumers of the British manufactures?—No, I cannot immediately.

4279. Was much distress occasioned in the districts with which you are acquainted when the calico manufacture in India was superseded by that of Manchester?—No, there was not. I was then in the district of Tipperah, when the Company's great factory was at Luckipore, and in the space of one year I should think from thirty to forty lacs of rupees were withdrawn from the manufacture of calicoes, and the revenue did not experience the least defalcation. The whole country in that part of it is cultivated like a garden; there is not a spot of ground where they could feed a bullock on scarcely.

4280. Did they not appear to be the worse for the failure of the thirty or forty lacs?—No; the weavers turned their hands to the plough. They are most of them little landholders.

4281. In that part of the country the revenue is by no means highly assessed, is it?—I fancy not.

4282. Was the revenue in general highly assessed, in your opinion?—Yes; we generally conceived it was; it did bear rather heavily on the produce.

4283. Did the ryot experience any difficulty in paying it?—Very frequently.

4284. Were you obliged to make frequent remissions?—Yes; I was very often obliged to lend them money for the purpose of paying.

4285. What was the condition of the ryot; how did he live?—From hand to mouth constantly.

4286. Had he any furniture in his house?—None that we should call furniture.

4287. Any clothes?—Oh yes; their condition was greatly improved latterly, from the time I first went there to the time

21 May 1830. — *G. Harris, Esq.* I came away; their houses better, and their condition generally improved.

4288. That was during the space of how many years?—During the space of fourteen years from 1808 to 1822.

4289. What are their implements of agriculture?—A small plough, which costs from two rupees to four rupees; merely three pieces of wood put together; a very simple, light, inefficient machine indeed; the harrow is nothing more than a short ladder drawn across the ground; sometimes a few bushes are tied upon it, to bush-harrow the ground, being light.

4290. What is the depth of the furrow made?—It is a mere scratch of the ground.

4291. Do they always use oxen in ploughing?—Yes, with the exception of buffaloes; they always plough with cattle.

4292. What is the average quantity of land in the possession of each ryot?—Some ryots rent from two to forty begas, the average I cannot state; some rent two or three begas of land, some twenty, thirty, forty begas, as they have bullocks. They calculate by their number of bullocks how much land they can take; a pair of bullocks would plough on an average ten or twelve begas.

4293. In that part of the country, what proportion of the gross produce of the land remained with the ryot when he had paid his rent?—I cannot say.

4294. Was it such as to enable him to accumulate capital?—No; very seldom.

4295. Was the possession of land by the ryot of any real value to him?—Of course, it furnished him with the means of subsistence.

4296. He could not have afforded to pay more rent than he did?—Certainly not, in that part of the country.

4297. What he received from the land just maintained him and paid his labour?—Yes.

4298. Was it the condition of the ryots engaged in the manufacture of indigo, or of the ryots engaged in the cultivation of it, which was in your opinion improved?—I think that both were improved; the country got much better inhabited.

4299. Did they appear to pay their rent better at the end of the term than at the commencement of it?—Certainly, much better.

4300. What was the duration of your lease from the Zemindar?—Three years. They would seldom grant it for more; sometimes I had it for five years.

4301. In your opinion, you lost from taking the lease, except as you derived an advantage from keeping others off?—Some-

times I lost by the lease. our object was not to make by the lease of the land, but to keep other people off, and to make our business easier, and to induce the ryot to cultivate more land than he otherwise would have done, knowing he might always get money when he wished for it, and that he would not be pushed for his rent, when it was not convenient to pay it.

4302. As you stipulated to pay a fixed sum, and to receive a fixed sum, the only doubt was whether you would receive the whole of what was due to you?—Yes.

4303. There was no possibility of making a great profit by the lease?—No; we very seldom made a great profit by the lease.

4304. In what manner could it be made?—By bringing more inhabitants into the village, as in the case I stated, by improving so much; until my lease was out, the improvements would be my own.

4305. You were understood to say, that the sum to be paid by each ryot was fixed?—Yes, when I took the lease; but I should manage to get a great many more inhabitants into the village.

4306. You could not exact more from any individual ryot who was there at the time you took to it?—No.

4307. But you generally obtained a rent from the new men?—Yes.

4308. You considered the land to belong to yourself, in the same situation as if you had been Zemindar?—Yes; and if we could establish more ryots in it, which has been the case in general while it was in our hands; if lands have improved, if we have brought the waste part into cultivation, that was our benefit.

4309. Do you think that a Zemindar would be induced to give a longer lease than for twenty-one years?—I never knew them give a lease of that period.

4310. Do you think the length of it would be sufficient to enable the European speculator to derive the full benefit from the employment of his capital?—Yes, I think it might.

4311. He would not look forward to remaining longer in the country, in all probability?—No, I think not.

4312. Does not the improvement in the condition of the ryot, and the manufacture and cultivation of indigo, depend much on the conduct of the planter?—Very much.

4313. Were you aware of any acts of oppression on the part of indigo planters against the natives employed by them?—Never, scarcely; it is so contrary to their interest. Instances have occurred, no doubt.

4314. In which they have been compelled to place more land in cultivation under indigo than they would have been induced

21 May 1830. otherwise to do?—They have tried to compel them to do so, and violence too has been used in some instances.

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4315. You think that not a general case?—Not by any means, certainly.

4316. Is the land under cultivation of indigo subject to inundation?—Not generally; they try to get lands which are subject to inundation, as they are by that means enriched annually.

4317. Is indigo an annual plant in India?—It is.

4318. Is it usual for the Zemindars to let their lands to Izadaars and Dur-Izadaars?—Yes; it sometimes happens many Zemindars keep the lands in their own hands, and collect their own rents, and do not farm them out.

4319. Does each of those classes of persons demand an increased rent from the class immediately below them?—Yes, there is an increase put on by each individual; one man takes it from the Zemindar on purpose to make a little bonus by it, and he lets it to another man.

4320. Does the ryot pay an increased rent in any case to the person immediately above him?—He is called upon to do it in a measure, sometimes.

4321. What power has he to make him pay an increased rent?—There is no power for it: but he is told, "I have been obliged to pay the Zemindar so much more than the rent of the village; you must make good some of it." In general the ryots are willing enough to do it, for they hold much more land than is in their leases or pottahs, and they are rather willing to come forward, if they think they shall be used kindly.

4322. If the ryot, since his pottah, has taken into cultivation any portion of land previously uncultivated, the Zemindar claims a right to charge a rent for it?—Certainly.

4323. And another person standing in his situation would exercise the same right?—Yes.

4324. The value of one of the villages you mention was increased from three hundred to thirteen hundred rupees; was the value of that lease increased by merely bringing a larger number of begas into cultivation, or the introducing a larger number of ryots; and did it, in consequence, pay a larger rent to the Zemindar?—If the village improved during the three years I held it, until my lease was out, I myself gained the advantage of it; then it fell back into the Zemindar's hands, and the next time I went to take a lease of him, he asked me so much more money, as I had improved the village so much, and he made me pay eight or nine hundred rupees; the next time he raised me up to thirteen hundred rupees. I do not mean to say that I had not collected thirteen hundred from the ryots, and with as much ease as I had the three hundred previously.

4325. Did the improvements which took place during your tenure of that village consist in the bringing new lands into cultivation, or the demanding higher rent from the ryots?—Bringing more land into cultivation, and bringing more ryots into the village, for the purpose of cultivation. 21 May 1830. G. Harris, Esq.

4326. But the old lands paid no more than they had done previously?—No.

4327. You treated, in the taking of land, with the Zemindar?—Sometimes I treated with the Zemindar; it was to my loss if I took of those holding under him.

4328. Do the expences of the cultivation of indigo differ much in different parts of India?—I believe considerably.

4329. To what extent?—I have known them differ one-third in different parts of the country, from a greater number of indigo planters being settled in one part than another.

4330. From whom had you the lease of the land on which your factory was built?—I held in perpetuity. An application was made to government to hold in perpetuity twelve or twenty begas, for the purpose of building a factory.

4331. Were all your factories built on that footing?—Yes.

4332. Who granted the perpetuity?—The Zemindar. I have rented small pieces of land from the ryot, that have been waste land, or out of cultivation, in order to cultivate indigo myself; I cultivated it a great deal myself at one time, in order to have workmen at the season of the year when I wanted them.

4333. Unless it is land in his own possession, or waste land, the Zemindar cannot grant a lease in perpetuity, can he?—No, I should think not.

4334. The ryot alone can give you the perpetuity at a quit-rent?—Yes.

4335. Have any zemindarry rights been sold, to your knowledge?—My son has bought a large zemindarry right within the last two years; he is a native born. I had rented it myself. I believe there are forty odd villages.

4336. In cases where zemindarry rights are alienated, is the licence from the government necessary to recognize that transfer?—Where a person is able to purchase it in his own name, he has only to register it with the Collector. There is no application necessary to government, that I am aware of.

The witness is directed to withdraw.

ENOCH DURANT, Esq. is called in, and examined as follows:

4337. You are engaged in the silk trade, are you not?—I am, as silk broker. E. Durant, Esq.

4338. Are you able to speak to the qualities of Bengal silk as compared with the Italian silk?—I am.

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4339. Can you state the relative estimation they bear in the market?—The range of qualities of silk both from Bengal and from Italy, vary very many shillings per pound. The best qualities of Bengal silk sell in this market nearly as high as the best qualities of Italian silk; but we have very little Italian silk which sells here so low as some qualities of Bengal silk.

4340. The very highest Bengal silk sells as high as the very highest Italian silk?—Nearly.

4341. What proportion of Bengal silk imported is of that quality?—A very small proportion. The Company have two filatures in Bengal, the best silk of which sells nearly on a par with the higher qualities of Italian silk.

4342. Do you know where those two filatures are situate?—The names of the districts I can state, but I do not know their locality; the names are Comercolly and Gonatea.

4343. The whole quantity of silk imported is about 1,200,000 lbs.; can you state nearly how much of this 1,200,000 lbs. may be said to be of good quality?—Of the highest quality, not above 10,000 lbs., speaking from recollection.

4344. The great bulk of the remainder is inferior to the Italian silk?—Taking as a standard the highest quality of Bengal silk at twenty shillings per pound, it ranges at all prices from that down to seven shillings.

4345. Can you state what proportion of the 1,200,000 pounds sells at seven shillings?—Considerably the larger quantity, comparatively with the highest.

4346. So as to form a large proportion of the whole?—Probably 50,000 to 100,000 lbs weight per annum, out of the 1,200,000, is of low quality, seven, eight, or nine shillings; but that quality is not imported by the Company; and I am not aware whether the question relates entirely to the Company's silk, or to Bengal silk generally; about one-quarter to one-sixth part of Bengal silk is imported by the private traders. When I speak of silk at seven, eight, or nine shillings, I do not speak of the Company's importation.

4347. Setting aside the extremely bad silk and extremely good, what is the average price of the greatest proportion imported from Bengal?—It is impossible to answer that question; the average prices of each Company's sale will materially vary, and I think it would be difficult to get at the average price of any one sale: probably I should come near the question by stating that at the last Company's sale (I speak from recollection) the average price of their silk was somewhere about thirteen shillings per pound.

4348. Can you state the price last year of the good Italian silk, not of the first-rate quality, but an average fair quality?—Understanding the questions to apply all through to raw silk, I

should think (there was a good deal of fluctuation last year in the market) the average price of the current qualities applicable to general purposes of the manufacture of broad or garment silk was about eighteen to nineteen shillings per pound.

4349. Has the quality of Indian silk improved within late years?—Speaking of it generally, certainly not.

4350. Are you sufficiently acquainted with the manner in which it is raised in India to be able to state from what reasons it continues to be of inferior quality to the Italian silk?—I have no practical knowledge upon the subject.

4351. Have you collected such information as to enable you to form an opinion upon the subject?—Apparently the reason why it is not improved has been from its having been under the management of a great company; I am of opinion that the system of a great company reeling silk is inconsistent with that very close superintendence which is necessary to the perfection of reeling silk. Silk is not like cotton or hemp, or any of those articles which can be pulled to pieces, and the fibres drawn out by machinery, but it begins with a filament or worm thread, and the regularity or evenness of the thread, which makes the perfection of the silk when reeled, can only be acquired by a practised hand and experienced eye. Machinery cannot combine these filaments so as to make a perfect silk thread. From all the information I have received from the silk reelers of Italy, they speak of the extreme close superintendence which they are obliged to exercise during the time of reeling over every department of their filature, in order to obtain a tolerably good quality; and the superintendence, so close and so attentive as it is described by these silk reelers of Italy, I apprehend, never can be obtained under the agency of a large company.

4352. In point of fact, however, the silk brought to this country by the Company is better than that brought by individuals?—Generally much so, because there are no European filatures of any extent, or perhaps only one remaining, except those in the hands of the Company; the silk brought to this country by private traders is purchased in the market, having been reeled by native reelers, who do not adopt the full advantages of the European system of careful reeling.

4353. What measure would you suggest for the purpose of improving the cultivation of silk in India?—I think the situation and circumstances of the silk manufactories of this country indispensably require that the raw silk supply from India at this moment should not be disturbed; but I apprehend the only way to improve the quality of silk in India would be by opening it to the competition of individual reeling; but that is only on general principles, and applying them to this particular question.

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4354. Are you aware of any restrictions now placed on individuals engaging in that manufacture in India?—There are no restrictions that I am aware of; but the transactions of the Company are so extensive in silk, and in consequence their mode of supplying the market is such, that individuals cannot enter into successful competition with them as silk reelers, while their transactions are on their present scale. Facts will substantiate this. There have been attempts made to establish European filatures in India at very considerable cost, and under the very best management, but the two largest have been relinquished, after some years' perseverance.

4355. Are you aware of any proceedings on the part of the Company that led to the abandonment of those filatures?—No direct proceedings that I am aware of; but the general system of the Company rendered the pursuit not only unprofitable, but I apprehend also losing concerns. As respects the effect of their system here, the Company import a certain quantity annually, within a few hundred bales; at least they endeavour to import about from 800,000 to a million pounds annually; the demand for the raw material in every manufacture of the country will very materially vary from one year to another, and there is sometimes a much greater demand for silk some particular year, and much greater activity, than in others; the Company importing their regular quantity, and selling their regular quantity as they import it, when those quantities happen very considerably to exceed the demand for raw silk, prices fall, and a loss is sustained sometimes of twenty or thirty per cent., and this involves the private trader who is bringing silk to this country. The Company are content to bear this loss, considering that the subject has various bearings, and that it is also a question with them of remittance. Whatever may be their reason for bearing the loss, the result is, every now and then, a year occurs in which the quantity offered is not demanded: the consequence of that is, it sells at a great loss, reducing the value of private trade silk, and occasioning the individual loss which I have mentioned; and I attribute to this circumstance, more than any other, the private filatures of Bengal have been given up.

4356. Your opinion is, then, that the Company not accommodating the supply to the demand with the same nicety and the same attention which would be exercised by the private trader, occasions a variation in prices which is fatal to the speculations of the individual?—Certainly, that is my view; but it is impossible that any company can proportion a supply of raw silk, requiring much previous arrangement, to the demand, because on the system of a large company their orders must go out upon a general scale; they must receive upon a general scale; and they must sell on a general scale.

4357. You think that the Company importing silk into this

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country for the purpose of remitting that which must be remitted, whether at profit or loss, are not influenced by those considerations which govern and control the private merchant, and therefore materially interfere with those merchants?—Yes, and on other grounds also; for having opened filatures in Bengal, and having a certain population in their silk districts to provide for, according to their views, they are compelled to go on one general scale of reeling a certain annual quantity. They are not purchasers in the market; they are the reelers of the silk in Bengal. These circumstances therefore operate in several ways. Whether the demand is slack or great, they are obliged to issue, in the first instance, orders for a certain quantity; they bring this quantity, and they consider themselves obliged to sell this quantity. Under these combined circumstances, when the demand slackens so as not to take it, there is always considerable and sometimes great reduction in price, which the private trader cannot support.

4358. The result is, that a private individual cannot trade in competition with a company conducting a trade occasionally at a loss?—I so consider.

4359. In those observations, do you refer to the importation by the Company of raw silk only, or of manufactured silk?—Of raw silk only; I know nothing of manufactured silk.

4360. Have you referred to the accounts presented to Parliament of the quantity of silk imported by the Company in successive years from the year 1814?—I have not; I cannot speak to them, except from memory.

4361. Are you not aware that there is a very great variation from year to year?—Yes, there is a variation from year to year; but the Company import in what are called seasons. A part of the season of 1828 may by accident be so imported as to be reported in 1829. The quantity imported for each season has been about 700,000, or from that to 800,000 weight per season; but the returns per year will vary from that, because it may be so arranged that two-thirds perhaps of each season may come in in one year, increasing the imports of that particular year, and diminishing the year following. There is sometimes a delay of their shipping, or some delay in the passage, and it will come in in the next year in consequence.

4362. Do you know at what cost the Company raise their silk?—I apprehend that varies from one year to another, depending on the price of cocoons; and the cost of silk in Bengal will be much affected by a greater or less loss, upon advances made. I apprehend, on this and other grounds, it will be difficult for the Company to ascertain the real cost of their silk.

4363. You refer to advances make for silk in India?—Advances made to the natives in India for cocoons.

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4364. Are you acquainted with the cultivation of silk in Italy? —Not practically; merely from information.

4365. Do you know the comparative difference in the price of labour?—No.

4366. Do you know the comparative amount of freight?—No.

4367. Does it appear to you that the reeling of the Company's silk has been inferior of late years to what it was?—Some of the Company's filatures have improved, and some have retrograded, so that I think there has been, upon the average of late years, no material alteration.

4368. Do you think that, considering the natural qualities of Indian silk, if the same attention were paid to the reeling of that which is paid to the reeling of Italian silk it would fetch a higher price in the market than it does?—I think a much greater proportion of it might bring the higher price.

4369. Do you know whether that proportion of it which bears a high price is produced by the same silk worm, and from the same tree, as that which bears the low price?—From the same cocoons, certainly; only that the cocoons are sorted with greater care.

4370. Do you know of any difference between the Italian and the Indian worm?—The thread of the Indian silk is different to the thread of the Italian worm, but it does not follow that the silk is inferior. The Indian thread is not so firm as the Italian thread; for some purposes it is better, and for other purposes not so valuable.

4371. Can you state the relative value of the silk produced in a very hot climate as compared with that produced in a more temperate climate?—A very hot climate, I apprehend, is unfavourable to the production of silk; a moderately warm climate is favourable to it. The great difference is, that the best silk is generally produced on the higher grounds of the country, not on the plains; but that is a difference not important, but I have been informed there is a difference.

4372. Is not a great deal of artifical heat introduced into the filatures?—The cocoons are reeled out of warm water; there is no other artificial heat.

4373. Has there of late been any improvement in the silk manufacture of India?—I have no knowledge of manufactured goods.

4374. You have stated that the best Bengal silk is equal in price to the best Italian silk?—Nearly so.

4375. Is it applicable to the same purposes in manufacture? —Not precisely to the same purposes, but to the same class of goods, or rather to goods of equal price when manufactured. I

believe it will not make velvet, but it will make silk goods, which will sell as high as velvet.

4376. When you speak of the expenses incurred by the Company in cultivating silk in Bengal, do you include in that estimate the cost of their buildings?—The buildings required are, I believe, very trifling. I certainly had no reference to buildings; my reference was to the expense of their commercial establishment, their agencies, &c.

4377. Do you think that supposing the production of silk in India to be improved to the highest degree which you think it capable of, our manufacturers could proceed without the assistance of the Italian silk?—The general impression among the manufacturers is, that they cannot proceed without some Italian.

4378. Will you state your reason?—Hitherto they have not found that in some articles of manufactured goods the Bengal will produce an equal quality.

4379. Are they ever used together?—Constantly; I believe Italian is now rarely used without a mixture of either Bengal or China silk.

4380. Does that improve the quality?—It either improves the quality or reduces the price; I think more reduction of price than the improvement of quality.

4381. Is much Indian raw silk sold for exportation?—Very little.

4382. Has it ever occurred that Indian silk has been exported for the French manufacture when the crop failed on the Continent?—When the continental silk has been very dear, there has been some sent; but an exportation of China silk takes place much sooner than Bengal silk.

4383. Has any exportation of Indian silk taken place this year?—No, none this year.

4384. In the last year?—Of China silk, I think there was, last year, but not Bengal.

4385. Does the quality of China silk vary so much as Bengal silk?—No; it is much more equal.

4386. How do you compare China with Bengal?—The very highest quality of China, Bengal, and Italian, sell nearly at a price; but the general price of China silk is below the medium of the fair class of Italian silk.

4387. Applicable to the same purposes?—Of late it has been found so; but there was for many years a great prejudice against it.

4388. Has the quantity of China silk imported increased?—The Company have relinquished the China silk importation for some years; and since they have given it up the importation of China silk has been gradually increasing; it is now about

21 May 1830. three hundred thousand pounds weight per annum, or rather more; last year, I think, it was five hundred thousand or six hundred thousand.

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4389. In whose hands is it now?—The Company's officers, captains, mates, &c.; and also private traders, who now bring it very much, I believe, as a return investment for their outshipments.

4390. Do you happen to know the price in China?—It varies a little in China. I can state what it is understood to cost in English money when purchased at a moderate price; it is understood to come in here, including expenses, at about sixteen shillings.

4391. What does it sell for?—Of late, it has sold under that price; at a loss rather than a profit.

4392. Has any attempt ever been made to bring the cocoons into this country for the purpose of reeling them?—The attempt has been made from Italy, but not from India; but they are very bulky, and pressing them into the package injures them; their bulk prevents their bearing the charge of freight.

4393. Are you aware whether there is any great difficulty in sending the silk worm from one country to another?—Not the least. The seed has been taken from any one country to another; the China worm has been brought to Italy, *vice versa* the Italian and China worm to Bengal, but it has been always found that the worm partakes of the climate to which it is transported, in a year or two.

4394. In order to produce in India the same quality of silk in successive years, it would be necessary from time to time to have fresh importations of the worm?—I do not think that will have the effect, for the fibre of the silk will depend in some measure on the food, and the food is different in quality.

4395. Would the variation increase, or would it be as great in the first year as in succeeding years?—The attempt has never been much persevered in; but I think it would be as great in the first year as in the subsequent years.

4396. You think that the worm does not degenerate in another climate?—My impression is, that the quantity of the silk depends very much upon the food, and not upon the worm; that therefore, if the worm is transported from one country to another, that would not much alter the quality of the silk; but I do not think there is so much difference in the intrinsic quality of one silk and another, as in the preparation in the reeling of it. Whether silk is of the production of France, Italy, Spain, Bengal, or China, if it is very accurately reeled, it will all obtain high prices.

4397. Is not some silk of stronger fabric than other silk?—Some silk is of stronger fabric than other silk; but the weak fabric,

if equally level in its thread all the way through, is applicable to some purposes to which the stronger is not applicable, and therefore will fetch a high price for some purposes. Where a very even thread is wanted, for example, some kinds of garment, silk, lace, crape, &c., in some the stronger, and in some the more delicate are best suited, and they will all equally bear a high price. 21 May 1830. E. Durant, Esq.

4398. Is the import of a large quantity of silk at an inferior price of great importance to the silk manufacture under its present circumstances?—I think, as the manufacture of this country is now situated, subject to the Continental competition, the import of a large quantity of Bengal silk at a low price, the consumption of which is confined exclusively to this country, is essential to its prosperity, and the withdrawing of it would be very hazardous.

4399. Do you know why the consumption of that sort of silk is confined to this country?—From the better understanding its preparation.

4400. Are foreigners in the habit of mixing in the same manufacture the finer and the inferior sorts of silk?—I have no knowledge of the foreign manufacture, but I apprehend not to the same extent that we are. They do not get the various qualities of silk to enable them to mix; the manufacture of the Continent is chiefly confined to silk of the growth of Italy and France.

4401. Is Bengal silk much used with other materials, not silk, in this country?—Bengal silk is much more used with other articles than the silk of other countries.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next one o'clock.

Die Martis, 25° *Maii* 1830.

The Lord President in the Chair.

Mr. ARTHUR RYDER is called in, and examined as follows. 25 May 1830. Mr. A. Ryder.

4402. In what occupation are you engaged?—I am a cotton dealer.

4403. How long have you been in that line of business?—Throughout my life; for seven-and-twenty years.

4404. In your business, are you acquainted with the qualities of the cotton produced in different countries?—I am.

4405. Have you observed in that period any alteration in the qualities of the cotton imported from different countries?—It varies according to seasons.

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4406. Is the American cotton better than when you were first acquainted with the business?—It is.

4407. What particular species of cotton is improved?—The short-stapled cotton, which is called Upland or Bowed Georgia.

4408. Are you aware of the means by which improvement has been accomplished?—I am unable to speak from my own knowledge, never having been in America; but I have heard it attributed to the continual changing the seed—using fresh seed every year.

4409. Is it not from the plant which has occupied the ground on the preceding year?—Precisely so.

4410. Is it usual to bring a different species of seed on to the land of succeeding years?—I cannot say; but continued renewed planting is necessary, as the plant degenerates after one year's growth.

4411. Does it appear to you that any great improvements have been made in the process of cleaning?—A good deal so; the cotton comes cleaner and more perfect than it used to do formerly.

4412. The price very much depends upon the manner of cleaning it, does it not?—The value of the article certainly is improved by its being free from any dirt or stain.

4413. Is the American cotton sent to this country in a condition very superior to the cotton of other countries; is it better cleaned than the Egyptian cotton?—In some cases it is; but the Egyptian cotton for the last two years has been very much improved.

4414. Do you mean in natural quality?—In cleanness, and generally speaking it has been improved.

4415. Do you know what methods of cultivation have been adopted for the purpose of effecting that object?—I do not; but of late the Sea Island seed has been more used, and a valuable description of cotton is produced from it.

4416. Has there been a great variety in the species of cotton introduced from America of late years?—None. The growth of the United States is confined to two qualities: Sea Island and Santu, or long-stapled growths. All the rest is short-stapled, and denominated upland.

4417. Is it superior to other cotton?—The Sea Island and Santu growths are superior; the Santu, as well as the Sea Island, is superior to all other growths.

4418. It is understood that the neighbourhood of the sea is almost essential, is it not, to the production of the finest cotton?—It is so.

4419. Are you acquainted with cotton of Brazil?—I am.

4420. Is it superior to the American?—It is superior to short-stapled American cotton generally, but not superior to Santu or Sea Island. 25 May 1830. *Mr. A. Ryder.*

4421. Is that as well cleaned as the American cotton?—Yes, it is so.

4422. Are you aware whether there has been recently any improvement in the machinery employed in the cleaning of cotton?—I am not.

4423. What relation in point of price does the best Indian cotton bear to the best American?—India cotton, being short-stapled, is governed in price by the American growths of short-stapled cotton; and the prices of India generally bear a proportion of two-thirds of the value of American. When the latter sells at sixpence per pound, India cotton has been at three-pence to four-pence halfpenny per pound; when American cotton sells for ten-pence to one shilling per pound, India sold for five-pence halfpenny to eight-pence per pound; when American has been eighteen-pence to twenty-one pence per pound, India has sold for twelve-pence to fifteen-pence per pound.

4424. To what do you attribute the great inferiority of price of the Indian cotton?—It is shorter in staple; has more dirt and waste in being manufactured.

4425. Is it shorter in staple than the short-stapled American cotton with which you have compared it?—Very much so.

4426. Is there no long-stapled cotton from India?—None whatever from India.

4427. Is it inferior in fineness to the American short cotton?—It is inferior generally, both in regard to staple, and requires more labour to clean it. India cotton is generally used by itself for making low goods, or else mixed with American and other cottons to reduce the price of manufacture. In this country it is but partially used as a whole; and whenever American cotton is at a very low price, East-India cotton is neglected, and used only in small quantities. It is much more used abroad.

4428. Is it at all deteriorated of late years?—The quality varies according to seasons. The last two years, certainly, the India cotton has been of lower quality generally, being very dirty, with other defects.

4429. What price do you apprehend that Indian cotton would fetch if it was cleaned as well as the American cotton?—At the close of January in this year, at a public sale that took place in the city, there was a small portion of East-India cottons that sold at sixpence per pound; it was very clean, and very perfect in its fibre or staple. At the same time, cottons from the same division of India, which is the Malabar coast, sold at three-pence per pound. In reference to the price of American at that time,

25 May 1830. I would say that good short-staple American cotton was worth $7\frac{1}{4}d.$; while this cotton brought 6*d*.

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4430. Do you know from what part of India particularly that good cotton came?—I know nothing further, than that it was shipped at the port of Bombay.

4431. By what house was it imported?—By Smalls, Colquhoun, and Company, of the Old Jewry.

4432. When the cotton comes home in that sort of condition, what process do you adopt to attempt to clean it here?—I am not sufficiently acquainted with the process of manufacture to enter into details.

4433. Having undergone that process, is it equal in cleanness to American cotton?—Yes; it can be brought to any degree of cleanness by labour.

4434. Is the cotton injured by importing in that dirty state?—No, I apprehend not.

4435. What is the expence of cleaning it in that manner?—I have heard that the loss in weight is about ten per cent.; the expence, I should think, was trifling.

4436. Would it appear that the difference is so great as the difference in price you have stated?—It would not.

4437. Would it as much answer your purposes to purchase at 6*d*. per lb. cotton clean, as it does to purchase the same cotton at 3*d*. in its dirty state?—In giving a reply to that question, I conceive it belongs more to the manufacturer to answer that question than myself. I should say that cotton at 3*d*. per lb., with any sort of cleaning, affords a profit superior to the taking the cotton at the price of 6*d*. which is already cleaned; and I have heard spinners say, that they would rather have cotton from India, and clean it in this country, than have it tampered with in the cleaning. Either from their ignorance, or some circumstance, the fibre of the cotton has become injured in the cleaning; but I am unable to give the information that a spinner would be capable of doing.

4438. Have you ever attended to the different modes of packing between the Indian and American cotton?—I have never been abroad; but I have seen many thousands of bales. They are both pressed, packed, and screwed very tight; but nothing equals the screwing of Indian cotton.

4439. Do you apprehend that the violent application of the screw injures the fibre of the cotton?—Not at all; it of course expels the external air; and cotton will keep with all its qualities for very many years.

4440. You have already said that you do not apprehend the pressure applied to the cotton, though for a considerable period, ultimately injures its quality?—I conceive not.

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4441. It is impossible to use the cotton until it has undergone the process of cleaning?—It would never answer for any purposes of yarn; the cloth would be full of specks and impurities. It is certainly requisite to clean it in all cases previous to its manufacture.

4442. Does the Indian cotton enter in a large degree into the manufacture of those articles of cotton which we export from this country?—I should conceive not in a great degree; but it varies according to its relative price with American growths of short-staple.

4443. It is more used in the manufacture of articles which are retained for home consumption?—I conceive so. My experience tends to the feeling, that Indian cotton is solely used in making very low goods; so far as low goods are exported to India, Indian cotton is applicable to that manufacture.

4444. You are of opinion that it is used for the making of inferior goods, and for effecting a reduction in the price?—Just so.

4445. Is there any further information which you think it would be desirable to offer the Committee?—I would humbly submit for the consideration of the Right Honourable Committee, that prior to July 1820 cotton wool was permitted to be imported in British vessels for home consumption from any part, without reference to its place of growth, which gave our manufacturers advantages they do not now possess. From Holland we could get Surinam and Nickerie cottons; and from France, Cayenne, Martinique, and Guadaloupe cottons; all of which were used to advantage; and, more particularly, it tended to equalize prices all over Europe, which is now not the case. It is my feeling that it would be very desirable for the East-India Proprietors to make use of different sorts of seed. I conceive that it is very possible to improve the growth of cotton in India.

4446. Was the Indian cotton you speak of as having been sold for sixpence a pound as well cleaned as the American?—Not quite so well cleaned.

4447. Do you consider the best Egyptian cotton equal to the American?—The best species of Egyptian cotton is superior to every description of cotton that is grown, except the Sea Island and Santu or long-staple American cotton; and we are now receiving from Egypt an improved culture from Sea Island seed, which is greatly appreciated by our manufacturers, and promises to rival the growth of the Santu cotton.

4448. Have you ever happened to see any cotton obtained from the western coast of Africa?—Once I did; I do not know whether it came from Senegal or Sierra Leone.

4449. Was that of a good quality?—It was very long in its

25 May 1830. — *Mr. A. Ryder.* staple, but not strong in its fibre, and consequently not capable of spinning to any high numbers.

4450. Is there long-staple cotton in the island of Bourbon?—It ranks among other long-staple cottons; but I should call it, for a long-stapled cotton, short; it is very fine, and consequently capable of being spun to high numbers; but since the Sea-Island cotton has been cultivated to the extent it has, Bourbon cotton has gone almost entirely out of use.

4451. Do you know what kind of cotton the finest Indian muslins are made of?—I should consider, the common cotton of the country, the short-stapled cotton grown in Bengal; but the whole of the manufacture in India is by hand-spinning, consequently there is a greater tension, from the moisure which the hand gives them, than can be had from any thing in the shape of machinery; a fine yarn can be produced by hand-spinning from a short staple which frame-spinning will not touch at all. The country of India produces nothing but short-stapled cotton.

4452. You consider the manufacture of muslin as a fine species of manufacture?—Certainly. The thread is spun by the hand in India. The muslins made in this country are spun from long-stapled cottons and fine-stapled cottons.

4453. When so spun by the hand, is it not applicable to the finer species of manufacture?—Certainly.

4454. Are you acquainted with Maltese cotton?—I have seen it; that is an inferior article.

4455. That is of the same species as the Egyptian cotton, is it not?—No; it is inferior to the Egyptian cotton; this is long-stapled, whilst the Maltese is short and poor.

The witness is directed to withdraw.

Mr. JOHN BRUDDOCK is called in, and examined as follows:

Mr. J. Bruddock. 4456. In what line of business are you?—I am a cotton merchant.

4457. Have you ever witnessed the cultivation of cotton yourself?—Never in my life. I have been in the habit of watching every point I have met with in drawing cottons, and examining the pods and seeds which have been imported into this country, and making particular observations upon them.

4458. Have you within the last few years observed any improvement in the natural quality of any species of cotton which have been imported?—I have not noticed any improvement whatever in the quality or in the description.

4459. Is there any great improvement in respect of cleaning?—Yes, there has been; in the American particularly; they send it in the most perfect state, and more fit for a market of all others. The Brazilians have fallen off in their cottons.

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4460. Does the imperfection in the mode of cleaning very materially affect the value of cotton?—Undoubtedly; because the least particle of dirt or dust, or whatever it may be, in cotton, is sure to break down the thread.

4461. Do you apprehend it is possible to clean cotton as perfectly, after it has been imported into this country, and packed a number of months, as it is at the time it is first taken from the ground?—I should think it was. It is some years since I was in a factory; more than forty; but I should think the blowing-machine would effect that purpose.

4462. Do you think the cotton will have been injured by the presence of the dirt?—By no means.

4463. Is it injured by strong pressure?—No, by no means.

4464. Is it injured by confinement on board a ship, by the exclusion of the air?—No, I should think not; I have known cotton to be kept for twenty years and then work remarkably well—as well as when it first arrived.

4465. To what circumstance do you attribute the inferiority of the Indian cotton?—It is from the native seed; I have taken a seed and stripped it of the husk, pressed my thumb upon it, and it breaks more like dirt. I have taken the kidney seed, (for it is in the form of a kidney, that is, the Brazilian seed,) stripped and pressed it, and oil has appeared, which shows the superior strength of it. The Pernambucco is the strongest, and will I have no doubt produce the fullest quantity of all seeds, and of very good quality. Cayenne or Surinam is also very good; I have pressed the oil out of them also; they will produce quantity and good quality.

4466. Is the cotton produced in the Brazils equal to the best American?—No, it is not; it is a very useful article; of all descriptions, remarkably useful; but they are not equal to the Sea Island.

4467. Are they long or short stapled?—All long.

4468. Do you consider the Brazilian seed superior to the American seed?—I think that, considering quantity and quality, and treating it with attention in the cultivation in the East Indies, it would prove superior to some, and equal to any but the Sea Island, which is grown from Persian seed taken from the Bahama Islands. I have seen some already produced. I happened to be examining four samples at the India House in 1817 or 1818, with Mr. Robert Owen, and on opening one of the samples a kidney seed fell out, and I never saw purer cotton in my life; it had a very fine silvery gloss upon it; and I thought it fit for any purpose, the staple being remarkably strong, fine, and long.

4469. Where was that grown?—On the Coromandel coast, I was informed.

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Mr. J. Bruddock.

4470. What was the value of that cotton?—I should think it would fetch, at the present time, about nine-pence, or from that to ten-pence, or perhaps up to a shilling.

4471. Was it long-stapled cotton?—Of course.

4472. What would be the price of the best Sea Island cotton?—Sea Island cotton of that quality is worth twenty-one and twenty-two pence. I used to purchase nearly all the Persian Bahamas seed at one time; and I have no doubt, from the inquiries which I have made, that those seeds were taken over to South Carolina and Georgia; the produce of the Sea Island is from those seeds; and the real Persian seed produces the finest cotton of any; but a small supply only of that cotton is wanted; we want a more useful cotton for all general purposes. I consider the consumption to have been increasing full five hundred bags a week for years.

4473. What are the particular qualities which give to cotton the character of usefulness?—I consider the Brazilian cotton to be as useful as a middle article for nearly all purposes, as any cotton which is grown. The American cotton is very good; the reason that it is in more general use, and that there has been so large a quantity grown, is, that a man can adapt his machinery for the manufacturing of that description, because the growth is very nearly alike, and he is always sure of supply. That is the case with some persons who work Indian cotton.

4474. Is the Indian cotton exclusively used in the manufacture of articles chiefly composed of other cottons?—No. It is mixed sometimes with Brazilian, Maranham, and Bahia, but Maranham chiefly, because that is more close and fit for twist than the general growth of Bahia.

4475. Have you communicated with persons who have been acquainted with the cultivation of cotton in the East Indies?—I once wrote a memorandum, and gave it to Mr. Robert Owen; that was in August 1815. I began to think of the expediency of it in 1808 and 1809, when the American embargo and non-intercourse took place. I have often thought that if another embargo was now to take place (as they send us such an immense supply) of three or four years, that it would throw the country generally into great confusion. There ought to be an ample, and a safe and a sure supply from our own possessions; it has become an article of such immense magnitude and importance to our national and individual prosperity.

4476. Does the dirty state in which the Indian cotton arrives in this country materially diminish its value?—It certainly lessens the value considerably; but it is generally worked into very low cloth, checks for sailors, and low calicoes or velvets, velveteens and cords, and other low heavy goods.

4477. Are you aware whether we have in this country supe-

rior machinery for cleaning cotton to that used in America?—Yes; I think the blowing machine is a very superior machine for taking the dirt out; but as to the gins for taking out that dirt and the remains of the seed, I know nothing of them; but I understand the East-India Company have sent some out lately on an improved principle of all others. 25 May 1830. Mr. J. Bruddock.

4478. Is it necessary that some degree of cleaning should take place in the country from which the cotton is brought?—Yes, certainly, that is essential; but the article from the kidney seed is very important, and may be so easily hand-picked and cleaned, as the seed may be taken out whole, and in its natural state.

4479. Supposing cotton to be imported in the dirtiest state from India, can you tell how much a pound it would take to clean it?—It would take a good deal of trouble to do that; it is the most difficult cotton to get from the seed. I have taken up some and pulled the cotton off with my fingers, and they have been sore for two or three weeks afterwards. I cannot tell how much it would cost to clean it; but there would be an extra freight to pay for seeds and dirt.

4480. Is it not more difficult after its remaining so long a time as it remains in the dirt?—No; I think the seed would become looser; but they must attend to that abroad.

4481. You cannot tell what it would cost in England to clean it?—No, I cannot; but it would be a very difficult thing.

4482. Is the Indian cotton of as good a quality as it used to be?—Yes; I can recollect it pretty nearly fifty years. Some parcels are better.

4483. Is it better cleaned?—Some parcels are better cleaned; we get one-fifth part of it clean from Bombay; the Madras cotton is well cleaned, and so is that from Bengal. The Bombay is the most useful cotton of the three.

4484. Is the Madras cotton from the Brazilian seed the only long-stapled cotton from the East Indies?—There were four samples at the time I went to the India House; I never saw a better sample in my life; I do not know whether that seed would not have equalled the best cotton that ever came from the Coromandel coast.

4485. Are you acquainted with the Dacca cotton?—I am not.

4486. Do you know whether that is imported into this country?—I think there was some thirty years ago. The brother of Sir Home Popham, if I am rightly informed, had an estate in that neighbourhood; and the cotton he sent was very good, fully equal to the best Bourbon; it was called Popham cotton.

4187. What is the quality of the Bourbon cotton?—It is not equal to the Sea Island for strength; it is a very good article

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for fine cambric and dress muslins; but it always degenerates in other climates. I have known the seeds to be taken to the Bahamas, and there it produced nothing better in quality than well-cleaned and fine Surat; and there have been several attempts in the East Indies to produce cotton from those seeds, but hitherto it has always failed; never yet equal to good Bourbon, Mauritius, or the Sechel.

4488. For what purposes is the very finest cotton used?—For muslins, and for fine veils, and for all the superior kinds of goods and threads.

4489. Is the Sea Island cotton ever used unmixed with any other?—Oh yes, undoubtedly.

4490. It is used for the finest articles of that sort?—Yes.

4491. Have you ever observed any difference between East-India cotton coming from different parts of the East Indies?—The shortest of the whole is the Bengal cotton; it is the cotton for common stout calicoes for drawers and other heavy goods; the Madras is the next (that is between the two); Bombay is of the longest staple, and the most useful article, if properly cleaned.

4492. The Bombay cotton is not so long-stapled as the American?—It is very near; some part of it will make very good yarn indeed; and some part of the growth I consider that they very seldom transplant; they let the tree go on bearing for several years; they have taken no pains at all with it, I consider.

4493. You consider that it is best when it is sown annually?—I consider that East-India seed will either do for perennial or triennial planting.

4494. Does it ever remain in the same ground longer than three years?—I dare say it does so in the East Indies. I have often thought that they have not put down new seed for ten or fifteen years.

4495. Is the Sea Island an annual?—Yes.

4496. Is the Brazilian an annual?—No; triennial.

4497. Are you aware whether the ground requires any previous preparation for the cotton plant?—I do not understand the cultivation of it. Ever since the embargo and non-intercourse years I have always been thinking of it, and which would be the best to recommend, because I saw the importance of an ample and secure supply.

4498. When you talk of triennial cotton growth, do you mean that the cotton does not bear for three years, or that it lasts for three years?—It lasts for three years, and after that it is pulled up and fresh seed put in.

4499. Do you conceive that the inferiority of the East-India cotton arises chiefly from want of due cultivation?—No; I

consider it to arise from the want of new seed. Some of it is nearly half dirt; and there is no strength in it—no virtue at all.

4500. Have you reason to believe that by improved cultivation, and by selection of seed, the Bombay cotton could be produced to equal, or nearly to equal, the Sea Island cotton?—I have no doubt that as good and as useful cotton can be grown in the East-Indies as in America; and the cotton from this or kidney seed will produce, I have no doubt, four times the quantity which the present growth of Indian cotton does, and be much more easily cleaned.

4501. Do you conceive that from its being so much more easily cleaned superior machinery is not necessary?—By no means, it can be so easily done by the hand.

4502. You stated that there are a variety of species of qualities of seeds, will you state what they are, and what you consider to be the best?—The best for producing quantity and quality are undoubtedly the black kidney seeds; the kidney seeds I should recommend in particular are those I did to Mr. Robert Owen, whom I addressed once on that subject; the Surinam, the Pernambucco, and Cayenne; those are the three I should recommend.

4503. Is that the species of seed from which the Sea Island cotton is grown?—That is from Persian seed. I never saw a complete pod of it; but I know it is a very small seed, as compared with the Brazilian, and very heavy of the kind; it produces the very finest cotton. There is some growth of it now in our island of Barbadoes which fetches a very high price.

4504. You have spoken of the same cotton plantation remaining for a number of years in India; do you mean to say there is any cotton which never requires being renewed?—Certainly there is. We have had sent us over so much of the inferior article, I think it has been gathered in the most slovenly manner, and most negligently attended to in the cultivation.

4505. Is the plant there perpetual?—It is triennial, I should apprehend.

4506. Have you seen any cotton from the western coast of Africa?—Yes; I once saw two or three parcels that John and Alexander Anderson imported; but it was grown from the wrong seed—the Carthagena, which seed will not answer any where, I am sure; the seed was taken from Carthagena, the worst cotton almost to manufacture of any that is grown; it lies in strings.

4507. Has there been any change in the cottons brought from India, within your knowledge?—No, no change in the seed; we have had nothing but the old native growth.

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4508. Nor much change in the manner of sending it over?—The very same.

4509. There has been considerable variety in the different parts of the country from which it comes?—No; it runs very much alike in staple; some is better cleaned; but in the length of the fibre there is very little difference, if any, in the growth of the three presidencies singly.

4510. Does the facility of cleaning the cotton vary according to the seed from which it has been grown?—No doubt of that. The green seed always requires ginning; but the black seed, I consider, can be taken out by the hand, which no doubt is an advantage to the article, as the gin not unfrequently cuts the fibre.

4511. Do you know any thing of the cotton manufactured at Dacca?—I do not recollect ever seeing any from Dacca. I once saw in the East-India House an article which was sent over from the Mauritius as cotton, and was brought on at the India House to be sold as cotton. I could not tell what to make of it; and my remark upon it in writing was, "Thistledown of gold colour;" and I saw another of silver colour. I got the hatters to make trial of it instead of beaver; but they could make nothing of it; it was too weak in the staple; but I think, if grafted on a good fine healthy cotton tree of the black kidney seed, it would strengthen it, and give it substance for carding and spinning.

The Witness is directed to withdraw.

Mr. GEORGE AGNEU CARRUTHERS is called in, and examined as follows:

Mr. G. A. Carruthers.

4512. In what line of business are you engaged?—I was engaged in the Brazils as a shipper of cotton.

4513. Were you long in the Brazils?—I went there in 1813, and at different periods to the year 1827.

4514. Were you extensively engaged in the purchase of cotton?—Very much so.

4515. Was the cultivation of cotton in Brazil extended during that period?—It was rapidly, at that period, owing to high prices; but it is decreasing at present, from the extremely low prices in the Brazils and in Europe.

4516. Is there a difference in the quality of Brazilian cotton?—Yes, there is; the cotton produced in the southern provinces is of a shorter staple and an inferior article.

4517. Is there any cotton in the Brazils at a distance from the sea?—It can be cultivated in any part; but the want of roads makes it not worth while.

4518. Is the cotton cultivated in the interior of as good

quality as that cultivated near the sea?—The cotton in the interior is better; the cotton near the coast is woolly, from the sandy nature of the soil; the upland cotton has a better staple, but the produce is smaller.

4519. Is the cotton very superior in the interior?—It is. The coast near the sea, in the northern provinces, has evidently been recovered from the sea at no very remote period; the soil is sand and shells, and very arid.

4520. Does cotton require a very rich soil?—No; a soil which has produced a good deal of timber. No land can be appropriated to cotton which has not been covered with trees (they are burned for manure), which is a positive proof it is a strong soil; but there is no very strong soil in Brazil.

4521. Will you describe what are the other peculiarities of soil and climate which in your opinion are most conducive to the perfection of the cotton plant?—I can only speak from the positive experience I have had of what the different climates produce. I found that in the warm countries near the line the cotton is best; and when we come southerly it is very short in the staple, and very woolly.

4522. Is the seed the same in both places?—Apparently.

4523. Whence was the seed used in the Brazils imported?—I do not believe it is known. It is cultivated very differently from the North American, I understand.

4524. You have witnessed the cultivation in the Brazils?—Repeatedly; and the process of cleaning.

4525. Describe the difference in the manner of cultivating the cotton in North America and the Brazils?—In the province of Pernambucco, which is the best cotton province, after the land is cleared, at the commencement of the rainy season, about the month of March, the seed is planted at considerable intervals. The plant gives the first season, is still more productive the second year, and tolerably productive the third; and after the third year it is usually abandoned.

4526. Is the same land again cultivated with cotton?—No; it must be fresh land.

4527. What interval of time is necessary?—After the third year, it is usually abandoned, and the land left fallow.

4528. For how long a time must it continue fallow before it is grown upon that land again?—They have it so very plentifully that they seem never almost to resume it.

4529. Describe the mode of cultivation in the United States?—I never have been there.

4530. Describe the mode of cleaning the cotton in the Brazils?—Three bars of iron about the size of that candle revolve one upon another, turned generally by a hand-wheel;

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the cotton in its rough state is placed on the one side, and drawn through by the motion of the rollers, subsequently beat with sticks to take out the dust, and finally the broken seeds and other impurities are picked out. Children generally are employed in this operation.

4531. What part of that operation is called ginnin?—We have not the improved machinery of the United States.

4532. Have you ever had an opportunity of comparing the machinery used in the Brazils for cleaning the cotton with that used in North America?—There was an Englishman brought out a most expensive machine for cleaning the cotton, but it failed entirely.

4533. Is great care required to effect the cleaning of the cotton?—The Brazilian cotton is very clean; they are very careful to take any thing like seeds or yellow spots from it.

4534. Is labour very cheap there?—Yes, in respect of cleaning of the cotton, as it furnishes a useful employment to the children of the negroes, who would otherwise be doing nothing.

4535. Probably it is cleaned in the Brazils with much more labour and toil than it would be if labour was dearer?—I think it is.

4536. Do you think that increases the value?—Certainly; because there is less carding at Manchester in consequence.

4537. Can you at all estimate its increased value in consequence of its superior cleaning?—It would not be less than 5 per cent. certainly.

4538. Is the cotton hard packed for its transport to this country?—Not so hard as it is in India.

4539. Do you consider that the pressure deteriorates the value of the cotton?—I cannot answer that question.

4540. Do you think that if the Brazilian cotton were shipped in a dirty state, the cleaning could be performed so well in this country as it is in Brazil?—Never having been engaged in manufacture, having been a merchant, I am not capable of answering that question.

4541. Would it be possible by any machinery to clean it so perfectly as it is done by hand?—I have been told that the effect of machinery is to hurt the cotton; that the great tenderness of the Brazilian cotton will not sustain it.

4542. Is there such a quantity of land applicable to the cultivation of it in that country as to produce any quantity of cotton which may be demanded?—I should think there is; but the cultivation of cotton labours under a great drawback in consequence of the exactions of the government; cotton pays a very exorbitant duty, which was laid on when cotton was three times its present price, and which has never been reduced in

consequence of the fall; I wonder how the planters keep on at all. 25 May 1830.

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4543. Are the districts from which the cotton comes now almost entirely on the sea coast?—The only part of Brazil cultivated is the sea coast; all along the other is perfectly uncultivated.

4544. By what labour is cotton produced; by free or slave labour?—By slave labour exclusively.

4545. What is the price of free labour?—That is not known in the Brazils, except in handicraft trades.

4546. Have you estimated what is the value of labour in the Brazils as compared with labour in England?—Much higher.

4547. Consequently much higher than it is in India?—Much more so. There is a sort of qualified labour of the native Indians; individuals who are in the hands of a conductor, and made to work; but they are so very lazy it is almost impossible to get them to work, especially where there are fruits and other vegetable food in season; they will elope.

4548. You can hire slave labour, which gives you a guess at the price?—There are some persons who live by that alone; but it is extremely high.

4549. Can you state at all what it is?—I could not get a slave at the very lowest under 2s. 3d. a day, besides giving him food; and there are only certain periods of the day they can work; from the heat of the sun, they are obliged to retire.

4550. Is the labour required for the cultivation of cotton severe?—Indeed I do not think it is; it is severe clearing the land in the first instance, as they have to cut down the timber and burn it; but afterwards it is by the hoe.

4551. What becomes of the land which has been abandoned for cotton cultivation?—They very often resume it for the growth of the farina or tapioca.

4552. It is never again applied to the produce of cotton?—It might, after a distant period, if they wanted the land; but they have a very extensive country uncultivated.

4553. Has any instance come within your knowledge of its being so reapplied to the production of cotton?—Hardly ever.

4554. Do you consider it to be improper for that purpose?—I do not think it would be, after it has lain a proper time; the only manure they apply is the ashes of wood; and as soon as a sufficient quantity of vegetation has sprung up to burn over again, they can cultivate the land with ash, as it affords a sufficiency of manure.

4555. Do you know the comparative price of Brazilian cotton in the Liverpool market with American cotton?—It is more

25 May 1830. valuable, except occasionally the very fine Orleans or the Sea Island.

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4556. From what cause did the machine imported by the Englishman fail?—He found it impossible to get the country people to bring their cottons to his machinery; by doing so they put out of employ numerous hands that could not be otherwise employed.

4557. Have you not stated that you thought the fibre of the cotton was injured by the machinery?—They had an opinion there that the fibre of cotton was injured by machinery. I saw some cotton cleaned by this machinery; it was remarkably clean. I do not mean to say that the fibre might not be hurt. It would not pay; the trade did not give it that preference which I think they ought. It was a transaction we all had our eyes fixed on.

4558. Was that machine you speak of a very large machine?—Yes, a very large complicated machine.

4559. The other machine of which you spoke is a small machine?—Yes; and it is in use at this time.

4560. Are the slaves you mention African slaves?—Yes; African slaves, or the descendants of African slaves.

4561. Are there no slaves obtained from the Indians?—No; the slaves come from Mozambique, Angolla, Benguella, and, contraband, also from the North of the Line.

4562. Are the Indians in the interior ever reduced to slavery?—A qualified slavery; they are obliged to work under the care of a conductor, who receives a portion of their labour.

4563. Can you state whether the slave population upon a cotton plantation keeps itself up generally?—On no plantation in Brazil do the slave population keep themselves up. I do not know whether they will now; but they, the masters, went on the principle of neglecting their slaves, and supplying themselves at a very cheap rate; I have known them sold at twenty pounds a piece.

4564. During the time you were there, there was a constant importation of slaves?—Very great indeed.

The witness is directed to withdraw.

Mr. ALLAN CAMPBELL DUNLOP is called in, and examined as follows:

Mr. A. C. Dunlop.

4565. What is your occupation?—I have been an indigo planter.

4566. In what part of India have you resided?—In Bengal, in the district of Jessore.

4567. How far is that from Calcutta?—About 130 to 150 miles.

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4568. Did you become acquainted while you resided in India with the cultivation of cotton, and any other Indian products except indigo?—Very little.

4569. In what year did you go out to India?—In 1806.

4570. Had you a licence from the East-India Company?—No.

4571. You obtained when you arrived a permission from the Company?—A local licence from the government four years afterwards.

4572. How did you occupy yourself in those four years?—As a planter; learning the plantation system.

4573. You carried out no capital of your own, probably?—I found a capital when I went there.

4574. You borrowed it?—I had it given me by a relation.

4575. Had you likewise borrowed money?—Yes.

4576. What interest did you pay?—Generally twelve per cent.

4577. What security, if any, did you give to the house that advanced you money?—After getting into debt, securities by insuring my life.

4578. What extent of land did you occupy?—About 25,000 begas, or 12,000 acres probably.

4579. Do you mean that you advanced to the ryots who occupied that quantity of ground?—Yes.

4580. Did you hold a lease?—Leases indirectly.

4581. To what extent?—That I cannot say.

4582. Did you cultivate yourself any portion of that land you held on lease, or only make advances to ryots, in the same manner as you made advances to other ryots?—I held very little on lease; my cultivation was all through the ryots.

4583. By advances to them?—Yes.

4584. What advantage did you derive from possessing that lease?—Merely to keep out competition; to keep the other planters from possessing that land.

4585. From interfering with you in your engagements with the ryots?—Yes.

4586. When did you leave India?—In 1826.

4587. Did your business continue profitable?—At first it was very unprofitable; up to the year 1819 it was very much involved in debt.

4588. It afterwards became more profitable?—It did.

4589. Was the profit such as to enable you to pay the twelve per cent. interest you engaged to pay to the person who advanced the money to you?—Not for the first twelve to fifteen years.

4590. During all that time you carried it on at a loss?—Yes.

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4591. Do you apprehend there were any particular circumstances in your position which occasioned that loss, or that it was the usual debt of other adventurers?—It was from the competition in Bengal in general; from the great number of foreigners allowed to settle there, retiring from the native services in the conquered territories. The Company allowed all their pensioners withdrawn from the native powers to settle, to save the pensions; and they were not allowed to go into the interior of India, but to settle in Bengal, near Calcutta; and from the great competition for ten or fifteen years there was no profit.

4592. Did any native Zemindars engage in the manufacture of indigo?—A great many.

4593. Whom did they employ to superintend the manufacture; natives or Europeans?—Both.

4594. Did that competition materially interfere with your profits?—Very much.

4595. Are they at present manufacturers of indigo to as large an extent as the Europeans?—Not to the extent of the Europeans.

4596. But the manufacture by them is increasing?—I believe it is.

4597. Do they carry on their business with borrowed money?—I should suppose not.

4598. What was the interest to be obtained in the government funds at the time you paid twelve per cent. to the houses from which you borrowed?—At first, when I arrived in India, eight and nine per cent.; it afterwards fell to five and six.

4599. Did the interest you paid continue the same?—Yes; while I was in debt it continued the same, up to 1819.

4600. What reduction took place then?—I got out of debt, and no longer borrowed any money after that; then I think it continued eight or nine per cent. to the agents.

4601. Do you know what interest they allowed their customers?—Eight per cent.

4602. At the time you paid twelve?—Yes.

4603. When the interest you paid was at eight or nine per cent., what interest did they then allow to their customers?—Six and seven per cent.

4604. A little above the rate of interest that was obtained in the governments funds?—Yes.

4605. Do you apprehend that a very large portion of the capital engaged in the manufacture of indigo was lent by those houses?—I believe the greatest part.

4606. There were very few indigo manufacturers who had capital of their own?—Very few, or none.

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4607. Do they find any difficulty in disposing of manufactories when they leave the country?—Not generally.

4608. Have there always been persons ready to borrow money, and take their places?—Yes; agents; friends whom they push on merchants.

4609. Is the capital engaged in that speculation much larger now than it used to be?—A great deal, I should suppose.

4610. Is it the profit to be made for the speculation, or any other circumstance, to which you attribute the increase of capital employed in that manner?—I do not think the profit is so great.

4611. There is a greater difficulty in remittance to England, which detains money in England?—Yes.

4612. Has it appeared, that upon the whole it made a profitable speculation to those engaged in it?—Yes; the last ten years in particular.

4613. Is it at present?—I cannot say; it is four years since I left.

4614. You say that the cultivation of indigo, though unprofitable for many years, then became profitable?—Yes.

4615. For how many years was it profitable?—About six years before I left India.

4616. It was upon the whole profitable?—Yes; the price of indigo rose so much.

4617. Have you seen cotton cultivated in India?—Yes.

4618. In what part of India?—In Bengal.

4619. Near the sea?—No, not near the sea; in the interior.

4620. Was it an annual or a triennial plant?—Annual in Bengal.

4621. Did it appear to be a profitable cultivation?—Rather so to natives; more attention is paid to it by them than indigo generally.

4622. Does it require manure?—The natives in India do not give manure generally.

4623. Did they use the same land for cultivation of cotton in successive years?—I believe they did.

4624. For several successive years?—Yes.

4625. Did you see any machines used by them for the purpose of cleaning it?—In Calcutta I did, but not in the country.

4626. Of what nature were those machines?—A kind of bowstring.

4627. You saw no European machinery?—No; there has been no great deal cultivated in the part of the country where I was.

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4628. In what manner was the bowstring applied to the cleaning the cotton?—Entirely by the hand.

4629. Was it done by children?—No; by men, and sometimes by females.

4630. Did they appear to take great pains in cleaning the cotton?—I am not aware of that; I did not see any particular attention.

4631. At what rate can you obtain labourers for the cultivation of cotton or indigo?—About six to eight shillings a month; three to four rupees.

4632. Do they feed themselves?—Yes, they do; the common labourers.

4633. Do they do much work?—They must be very strictly looked after, and kept to their work.

4634. Were you ever in a country in which slave labour was employed?—I have been in America.

4635. Did the common labourers of India perform the same work as the slaves in America?—Not so much.

4636. Did you employ any Europeans in your manufactory?—Several.

4637. At what wages?—Generally about 100 rupees a month to 200 rupees.

4638. Were they native Europeans or half-caste?—Generally Europeans, but I have had both.

4639. What could you have obtained the services of natives for to perform the same work?—We could not have trusted to natives to have done the duty in the same way. I got them at from thirty to forty rupees.

4640. How did those Europeans get out to India?—Most generally young men that went out on board ship, stewards of ships, and others that got their friends to transmit them out, and left the ship.

4641. Do the natives who manufacture indigo pursue exactly the same process of manufacture pursued by Europeans?—Yes, but not with the same attention.

4642. Are they improving in their mode of manufacture?—Yes; they are paying more attention; formerly they were very careless and inattentive to the manufacture.

4643. Did it appear to you, while you resided in the country, that more capital was employed in the cultivation of land than had been when you first went there?—Yes, a great deal more.

4644. Did the people appear to improve in conduct?—Most certainly.

4645. You speak only of Jessore?—Of Jessore particularly; I have not been out of Bengal.

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4646. Have you had an opportunity of seeing sugar cultivated?—Yes.

4647. Has there been much improvement in the quality of sugar grown?—I do not suppose there has been much; the natives are generally against all improvement, or breaking through any of their old customs; they are generally very indolent.

4648. Are you acquainted with the mode of the cultivation of sugar yourself?—No; but I have seen it; it is very common in the part where I was.

4649. Do you think it could be materially improved without the aid of machinery?—I think it could.

4650. You think that if Europeans were allowed to cultivate it, a very material improvement might take place?—Yes, I think that it might.

4651. Have not Europeans the same facility for engaging in the cultivation and manufacture of sugar as they have for engaging in the culture and manufacture of indigo?—I should suppose they have the same.

4652. Is the manufacture of sugar carried on by natives of the description to whom you have already alluded?—Yes.

4653. At about the same rate of wages?—Yes.

4654. Are there any sugar plantations carried on by Europeans?—I believe there are in the interior, but not in my neighbourhood.

4655. Do you conceive the natives better calculated or more likely to engage with advantage in the manufacture of sugar, indigo, or cotton?—In sugar and cotton, rather than in indigo.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Die Veneris, 28° *Maii* 1830.

The LORD PRESIDENT in the Chair.

ROBERT RICKARDS, Esq. is called in, and further examined as follows:

28 May 1830.

R. Rickards, Esq.

4656. WILL you turn to No. 2 of the Account of the Finances of India which has been laid before this Committee, page 14; what is that account?—It is an account of the total annual amount of the revenues and charges of the several presidencies in India from the year 1809-10 down to the year 1826-27.

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4657. What appears upon that account to be the surplus revenue and surplus charge for those years?—The two last columns of this account, entitled "General Result," contain, the one the surplus revenue, and the other the surplus charge. I have cast them up; and the surplus revenue appears to be £4,036,928, and the surplus charge £20,181,493; therefore leaving a surplus charge on the whole account of £16,144,565, according to an analysis which I beg leave to submit to your Lordships' inspection.*

4658. This account is entirely confined to the territorial charges?—Entirely.

4659. It professes to comprise all the territorial charges, both at home and in India?—In the year 1813, similar accounts that were then laid before the Select Committee of the House of Commons professed to contain, under the head of "Charges," every political expence incurred abroad, including the increased expenditure occasioned by the Mysore, Mahratta, and other wars, the Egyptian expedition, and the equipments for the reduction of our European enemies in the Indian seas; in the words of the Committee, "every charge incurred in the defence of their possessions in India;" I therefore presume that this Account, No. 2, is drawn out on the same principles, and therefore contains, not only all the charges and expences of a period of warfare in India, but the whole of the territorial charges paid in England.

4660. In your opinion, is the amount of surplus charge above revenue during those years correctly stated?—I have always been of opinion, since the year 1813, that these accounts exhibited on the face of them a large surplus revenue; official documents, as well as authentic writings, now extant, confirm the fact, that there has been a large surplus revenue from our territories in India ever since we got possession of the Dewanny in Bengal. It is so stated in publications by Mr. Verelst and Mr. Hastings, former Governors-General of Bengal. From these publications we learn that large sums of money from the revenues were annually supplied for purchases of investments for Europe and for China. On some occasions the Court of Directors were so anxious to procure investments from abroad, that they directed their governments in Bengal, not only to purchase to a large amount, but to send home goods, even though those goods might be attended, upon the sale of them in this country, with actual loss. Ever since the year 1793, regular accounts have been laid before parliament similar to the one I have now under examination; and in the year 1813 I published a small work containing an analysis of those accounts, in which it appeared to me to be made out unanswerably that the excess of charges from 1793 to 1808-9 would in no degree account for the increase

* See post, p. 630. Paper A.

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of the Indian debt. It therefore followed that if the principal of the Indian debt was not incurred on a political account, the interest on the debt ought not to be inserted as a territorial charge. The sum of interest paid on debts for that period was £20,083,569, whilst the net increase of debt for the same period was £20,905,194; it therefore took the whole sum of borrowed money or principal to pay the interest alone during the period in question. The way in which the debt has occurred is simply this: the governments abroad, in execution of the instructions they received for the purchase of investments for Europe and China, send orders upon the revenue treasuries of different parts of the country in favour of the commercial residents, to the amount of several lacs of rupees, to be applied as required in the purchase of goods; this revenue being abstracted from the territorial funds, when wars occur in India there is a deficiency for the expences of those wars, and then loans are recurred to to supply that deficiency; but the deficiency having occurred in consequence of previous advances being made to the commercial department, it is clear that the commercial department ought to bear the burden of that loan, and not the territorial. If therefore the principal of the debt does not appertain to the territorial head, it is quite clear that the interest on those debts ought to be similarly excluded from this account; and if the sum total of that column be deducted from No. 2, it will leave an actual surplus on this account of £16,743,410, besides other items.

4661. Putting the debt entirely out of the question, during a long series of years, does it, upon the accounts of the East-India Company themselves, appear throughout that the revenue has exceeded the charge, notwithstanding the expence attendant upon wars?—If the debt is excluded from this account, it is quite clear that there has been a surplus, after paying all the territorial charges in England, from the year 1809-10 to 1827-28, of the sum I have just mentioned, together with other items, which in the way of adjustment would also attach to this account. As regards the former period, I have also shewn in another place that a large surplus existed.*

4662. In your opinion, is the debt solely or principally incurred by losses upon remittances?—The only reference to be drawn from this fact is, that the whole debt must be commercial, and therefore partly incurred from the manner in which remittances to this country are made.

4663. In your opinion, is a loss upon remittance by investment, rather than by bill, to be charged upon commerce and not on territory?—Certainly, upon the commerce, in as far as the advance is made for commercial purposes.

4664. Could the territorial charges incurred at home be re-

* See post, page 631, Paper B.

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mitted without loss in any other manner?—I conceive there can be no difficulty at any time in making a remittance in bills, and more especially if the whole trade were in the hands of private merchants.

4665. Have there not been periods in which the loss upon remittance by bills would have been very great?—On the contrary, the remittance to this country, up to the year 1817 or 1818 has been very favourable; since that the exchange has fallen to rates bordering upon the real par, and is now regulated by the same rules and laws which govern exchanges with every other part of the world where commerce is free.

4666. Have you endeavoured to form an opinion as to what the exchanges would have been if the remittance of those large sums had throughout taken place by bills?—If the trade had been as free as it is now throughout the whole period here adverted to, there can be no doubt that the exchange would have been regulated upon the same principles which now operate upon it.

4667. You are aware that in the year 1813, by the Act of Parliament establishing the present charter, a separation was established between the commercial and the territorial accounts of the Company?—I have understood that it was so. I have read the Act of Parliament; but I understand there was a paper prepared and printed, containing the principles upon which the separation was ordered to take place; that paper I have not seen; it has never fallen into my hands.

4668. Are you not aware that previous to the year 1813 the commercial and territorial accounts were confounded, and that subsequently to that period they have been separated, under the Act of Parliament?—The Act of Parliament requires separation of the territorial and commercial account ever since the year 1813, but there has been no such thing as a satisfactory commercial account laid before the public from that time down to the present.

4669. Are you not aware that by the Act of Parliament the Company can only take from the territory sums in repayment of sums paid by the commerce for the territory in this country?—The Act of Parliament requires advances to be made in India sufficient to cover territorial payments in England; but it does not, as I conceive, restrict advances absolutely to that limit, and they would accordingly appear to have considerably exceeded it.

4670. Do you mean that the advances in India have been larger than the advances for the territorial purpose in England?—Yes; and here is an account before me which shews it.

4671. Are you not aware that if that has been the case both the Directors of the East-India Company and the Board of Controul must have violated the Act of Parliament?—That is

not for me to answer; as a matter of opinion, I should say not; but in allusion to the fact itself, here is an account, No. 13, of the Papers relating to the Finances of India and the Trade of India and China, in which it is stated that the total amount of advances made to the several presidencies and settlements in India, for the purposes of commerce, in so far as regards the purchase of investments to Europe, amount to £30,545,069 from 1814-15 to 1826-27, of which £24,338,050 were sums in repayment of territorial charges defrayed in England; whereas in the Account No. 2 the territorial charges paid in England amount only to £18,833,065, leaving therefore an excess of advance to the amount of £5,504,985.

4672. Are you aware that the interest of the Indian debt is first charged in the Indian accounts as a debt incurred in India, and that sums are set apart in India, in the account, to the payment of that interest; but that a very large portion of that interest being in fact paid in England, the funds for the repayment to the Company of that interest in England are remitted in addition to such funds as are necessary for the repayment of those charges which appear as territorial charges in this account? —That beyond doubt is the state of the case, as the accounts are now arranged; but if the whole revenues of India really yield a surplus over and above the actual charges, it appears to be of little consequence, as regards that surplus, whether those charges be wholly paid in India or partly in England; whilst, as to interest on debt, that should only be paid, in my opinion, out of that fund to which the principal fairly belongs.

4673. That is on the supposition that you are correct in considering that debt as a commercial, not a territorial debt?—Of course.

4674. You have stated that the sums issued in India for investments being issued for general purposes, and the issuing of those sums making such a deduction from the revenues of India as occasions an increase of debt for the paying of current expences, particularly in times of war, that debt so incurred should be considered as a commercial, not a territorial charge, inasmuch as it is incurred for making good the deficiency occasioned by investments for commercial purposes?—I conceive that to be the case; on the supposition, always, that there is that real surplus revenue which these accounts appear to exhibit.

4675. If, however, this opinion of yours be correct, that those investments in India are made for commercial purposes, still would not an excess of debt incurred in a number of years, beyond the sums issued for investment, be still chargeable to the territorial revenues? For instance, if two millions were issued in any one year for commercial investment, and a debt of four millions be incurred, would not two millions of that four be

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charged to territory, and the other two, being required to make good the defalcation of revenue, in consequence of the commercial investments, be also charged to territory?—The question I presume supposes that a loan of four millions was necessary for the purposes of the state; two millions to meet local expences, and two to cover territorial charges in England by investment in goods. But on the presumption of there having been a surplus revenue throughout the whole of the period here adverted to, there would have been a sufficiency of territorial funds to have answered the whole expenditure of four millions, without the necessity of a loan; it therefore follows that all borrowing in such a case is or ought to be considered purely commercial.

4676. In that answer you first suppose that there has been a territorial surplus, at which supposition you only arrive by striking out the whole interest of the debt from the charge on the territory of India; then you say, that there having been this surplus, at which you only arrive in that manner, all debt incurred must have been for commercial purposes?—I think I have clearly proved, in the publication before referred to, that there was a surplus revenue in India to a very large amount between the years 1793 and 1808-9. If then that surplus revenue really existed, what I contend for is, that there could have been no occasion for borrowing money for political purposes: and consequently, that if the principal of the loans in India does not attach to the territorial department, neither can the interest upon those loans; and these are the grounds which induce me to think the interest on debts should also be excluded from the Statement No. 2 now before me.

4677. You have been asked whether you are not aware that previous to 1813 the commercial and territorial accounts were confounded, and that therefore it was extremely difficult to discover what was the actual surplus of territorial revenue, what portion of the investment proceeded from the application of commercial funds, and what portion from the application of territorial funds, in repayment of territorial advances?—As the accounts now stand, there is some difficulty in separating the territorial from the commercial departments; but the territorial accounts, being the simplest, are more capable of being analysed than the commercial: and according to the view which I have taken of the revenue accounts, particularly of this Account, No. 2, which is in fact a cash account of receipts and disbursements, the surplus which I have contended for clearly exists. It might be shewn or corroborated by other statements prepared also from these accounts. I hold one in my hand, a statement taken from the accounts contained in this collection, which strongly corroborates my view of the Account No. 2; but it is not sufficiently precise to be considered as a perfectly accurate statement, inasmuch as it admits of various adjustments, but it will serve to show, as a general result, that there has been

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throughout the whole of the period adverted to, from 1793 to 1827-8 inclusive, an increase of debt far beyond what can be accounted for by the excess of political charges. In this Statement I take the accounts as they are exhibited in this collection, and without making any deduction on account of the interest on debts; and it stands as follows:

On the 30th of April 1793, the Indian debt is stated in Appendix No. 7 to the Second Report of Select Committee, to have been		£7,971,655
Ditto ......1809......ditto......as per ditto		30,876,788
Net increase		22,905,123
Whilst the excess of political charge, as per No 6 of Appendix to the same Report, and No. 11 of the Third Report for the same period, was only	£5,078,015	
And the political charges paid in England, as per No. 46 of Appendix to Third Report, (the Committee, however, doubting whether the whole were properly chargeable to the territorial head,)	6,138,448	
		11,216,463
Difference to be accounted for		£11,688,660

So that the amount of loans had exceeded the total amount of surplus charges during that period in no less a sum than £11,688,660. This is the result of the official documents referred to, without a single deduction on account of interest, or of any other charge contained in the official documents. Again:

On 30th April 1827 the Indian debt is stated, in No. 4 of Papers relating to the Finances of India, &c. February 1830, to be		£42,870,876
Making, therefore, the increase of debt since 1793		£34,899,211
Now, as the surplus charge from 1809-10 to 1826-27, as per No. 2 of the same Papers, &c., is only	£13,589,894	
And the surplus charge of the former period, as above	11,216,463	
		24,806,367
There is still a difference to be accounted for of		£10,092,854

That is, the difference by which the increase of the debt in India has exceeded all the political charges included in these official documents.

4678. That is taken from the accounts of the East-India Company?—It is.

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4679. Your own view, and your own statement, go much beyond that?—They do; for this is a surplus after paying the whole interest, together with every other charge claimed to be political; whereas if the column of interest were excluded from the account the surplus would be much greater.*

4680. You are aware that when the territorial and the commercial accounts were separated, it was understood by the Board of Controul that the debt of India was a charge upon the territory; but it never was determined, nor has been to this day, whether the bond debt in England is a commercial or a territorial debt, or in what proportions to be divided between those two accounts, the Company declaring that the loss is chargeable to the territory, it having been held by the Board that if not the whole certainly a portion is chargeable to commerce?—I am aware that it is so stated in memoranda appended to accounts, but the interest on bond debt is nevertheless included in the Company's accounts under the head of "Commercial Payments;" and if my view of the Company's accounts be correct, and there be that surplus revenue which appears to me to be the case on a careful examination of these documents, then the whole of the debt both at home and abroad must be commercial, and can be nothing else.

4681. You only arrive at that surplus revenue by taking it for granted that the whole debt is a commercial debt?—I do not exactly take it for granted, because I think I have proved in the publication before referred to, and in the analysis which I hold in my hand, as well as of the Account No. 2 as of the former period, that there has been a large surplus revenue exhibited by the public accounts since 1793 to the present time.

4682. Are you aware that it has been stated to this Committee that the average out-turn of the rupee remitted in goods, deducting interest, since the commencement of this charter, has been 2*s*. 2*d*. $\frac{60}{100}$; and that the rupee, if it had been remitted in bills at a mercantile rate of exchange drawn from Calcutta, deducting twelve months' interest, included in the rate, would have been 2*s*. 1*d*. $\frac{60}{100}$; that the difference therefore in favour of remittance in goods is 1*d*. the rupee; and that the advantage derived by the Company since the commencement of the charter from remitting in goods rather than merchants' bills is £800,660?—I am aware that a difference has been calculated in reference to the exchange, but I cannot say from recollection what that difference amounts to, upon the whole of the Company's remittances from India.

4683. Have you yourself looked at the rates of exchange which have prevailed since the commencement of the charter, and formed any statement of the average rate which has prevailed since that period?—I know what the average rates of

* See post. page 632, Paper C.

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exchange have been since the commencement of the present charter; and from examining such of the Company's accounts as are in print, I perceive the rates of exchange at which the Indian currency is therein converted into sterling money; I am fully aware that those rates exceed the established or ordinary rates of exchange between India and England in the latter years, or from the year 1817 or 1818.

4684. Are you not aware that when in evidence the out-turn of the rupee is spoken of in goods, no reference whatever is made to the rate of exchange?—I have always understood that the Company represent themselves as having sustained a considerable loss in consequence of the rates of exchange they are compelled to adopt.

4685. The loss the Company sustain by means of what is called the Board rate of exchange is in the repayment in India to them, for their advances for territorial purposes in this country, of a smaller quantity of money than they would receive if they were repaid at the mercantile rate of exchange at the present time; but that has no reference to the profit or loss in the remittance of their revenue so received by them in India to England in goods; when the out-turn of that rupee is stated, the real result of the mercantile adventure is stated by which that rupee is remitted to this country in goods?—Then the profit or loss sustained on that adventure must be taken into account. The remittance, when made in goods, must be profitable to yield them a better rate of exchange than the ordinary rate; but I have no knowledge of this being the case.

4686. When the out-turn of the rupee is spoken of as remitted in goods, no reference is made to the rate of exchange; it is considered to be one transaction, the remittance of the rupee to England in goods; and when the Company speak of the general effect of their operations, as persons advancing here from commercial funds to the territory, and receiving repayment in India at a fixed rate of exchange below the mercantile rate of exchange; in looking at the whole of their transaction, beginning in this country with the advance to territory, and ending in the repayment in England according to what may be the out-turn of the rupee, in that respect the rate of exchange is undoubtedly taken into calculation?—I do not exactly understand the difference, or how the Company in this respect arrange their accounts.

4687. Are you aware that there are two transactions before the Company receive payment in this country of what they advance from commercial funds in this country for territorial purposes; that the first transaction is the advance in this country of its funds, and the repayment in India of those funds by the territory at a fixed rate of exchange; that at present upon that first transaction there is considerable loss, the Board rate of

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exchange being much more unfavourable than the mercantile rate of exchange? Then the second transaction consists in the remittance to England in goods or in bills of the sums received by the Company in India from the territory, in repayment of those advances made on the territorial account in England. On that second transaction there may be a loss, or there may be a profit; but in considering the result of that transaction it is not necessary to look at the first transaction, which terminates in the repayment in England of the sums advanced here for the territory; but that the Company, when they look at the whole result of the account, beginning with the advance in this country of the funds for territorial purposes, and ending by the repayment in this country of the sums so advanced, must undoubtedly place against whatever profit they may make by remittance to England and repaying goods, whatever loss they may sustain by the unfavourable rate of exchange in the first transaction; or, if there be loss in the second transaction, to that loss they must add the loss sustained in the first?—In the way in which the accounts are now stated to be kept, the loss on the first transaction adverted to in the question would appear to be sustained; but, according to my view of the case, the advances for territorial charges in this country are made in the first instance out of the revenues of India, and remitted in the shape of goods to this country; as to which mode of remittance there has been sustained a considerable loss also, as certified in No. of "Accounts and Papers, March 1830." I should however consider the whole as one transaction, for which commerce receives advances in India at certain rates of exchange; and if the Company have chosen throughout the whole of the period of their last charter to make their remittances in goods, notwithstanding the obvious losses which they have sustained in each year, as well in exchange as by the sale of goods in this country, they must be content to bear that loss, more especially as the law leaves the mode of remittance optional with themselves. It cannot, in my opinion, at all attach to the territorial account, where I know it is wished to affix it.

4688. Are not those funds which are produced in this country by the remittance of goods purchased by payments in India by the territory in repayment of advances made by the commerce in this country for territorial purposes, properly commercial funds?—The accounts are so stated, I am fully aware; but my belief is, that those funds are not the result of actual commercial capital, but wholly supplied from the revenues of India in the first instance; in other words, that the revenue supplies the commerce with the means of carrying on all its commercial transactions.

4689. That is, by repayments?—For every purpose, including the charges incurred in this country.

4690. Do you suppose that the Company never made an

advance for territory from commercial funds?—It really does not appear from these accounts that they have; that is, from funds arising out of a real circulating commercial capital.

4691. In what manner must their advances for territorial purposes have been originally made, when, being a commercial body, they assumed the character of a power in India?—There are several authentic publications extant to prove that the Company's trade was most amply if not entirely supplied with funds from the revenue ever since their acquisition of power in India, or from the first of the Dewanny grant in Bengal. I conceive, therefore, that the whole of their original commercial capital is now either dissipated or fixed in buildings and other articles of dead stock; and that the whole of the active capital for commercial purposes is from year to year supplied by the revenues of India, and the revenues alone.

4692. Are you of opinion that the Indian trade, previous to 1813, was an unprofitable trade?—Quite so.

4693. That the China trade was equally so?—The whole trade taken together I believe to be unprofitable. I have an account before me for the year 1828-29, lately printed, which clearly shews it.

4694. That those two trades have been constantly unprofitable?—Yes; and the fact may be further inferred from the East-India Company having never furnished yet to the public such an account as I think the public has a right to expect of the out-turn of their commercial operations. There is in fact no commercial account of the Company's before the public that can satisfy a merchant of the result they contend for, or the realization of actual commercial profit.

4695. If that be the case, how do you arrive at the conclusions you do upon the subject?—I speak of the commercial accounts as being in so obscure a state that no satisfactory result can be drawn from them; but from the revenue or territorial accounts I think a more satisfactory result can be drawn; and the result which appears to me to be the only one deducible from the printed revenue accounts is the one which I have this day given to the Committee.

4696. If previous to the year 1813 the commercial accounts of the Company were unintelligible, and were at the same time mixed up with the territorial accounts, before the separation of the two accounts under the Act of 1813, must not the whole account be unintelligible, and must it not be impossible to come to any correct conclusion upon those accounts?—This account, No. 2, is a clear account as far as it goes; it is a cash account of actual receipts and disbursements, and all I should say with regard to this account is, that it does not contain all the receipts which it ought to contain for the purpose of this inquiry, and therefore does not exhibit so large a surplus as might be deduced from it under certain adjustments. I should

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make the same remark in respect to a similar account which was laid before the Select Committee of the House of Commons of 1810, extending from the year 1793 to the year 1808-9, inclusive. That account, as well as the one now before me, was an actual cash account of receipts and disbursements, and the result of it was precisely that which I have already explained.

4697. What receipts are there which in your opinion ought to have been entered into this account which are not here?—In the account No. 2, there is a note referring to the year 1822-3, stating, "in this year the balance of the loan of £2,500,000 obtained from the public in 1812 was discharged, which amounted to £557,335." Now it appears from an Act which I hold in my hand, the Act of 3d George the IVth, chapter 93, that this was a loan made to the East-India Company in the year 1812, and that in 1822-3 this loan was reduced by sundry payments to £1,857,322, and that it was discharged partly by a claim on the part of the Company against the Government to the amount of £1,300,000 for sundry expences incurred by them on account of his Majesty's Government in India and at St. Helena, when the balance, or £557,335, was paid in cash, and therefore included, as well as the former sum, under the head of the charges of this account. If then the whole of that loan was liquidated, as would thus seem to be the case, by charges contained in this account, it is but fair that the account should also have credit for the sum borrowed; whence, if this £2,500,000 be added to the receipts, it would make the surplus so much larger.

4698. Does it appear that this account contains in any one year a statement of the sum raised by loan either in India or in England?—That is precisely the defect. I think it ought to contain the receipt of that £2,500,000 in 1812, since the liquidation of that loan appears to be contained in these charges, or else that portion of the charges should be deducted.

4699. Will you refer to No 20 of the accounts, and state whether the receipt of that sum of £2,500,000 does not appear, as a loan from the public, in the year 1822-3, as one of the receipts?—It appears in that account as a loan in 1812; it is also continued in the Accounts Nos. 21 and 23, throughout the years 1815 to 1822 inclusive, when it appears to have been finally discharged in the way I have just mentioned; but the discharge of it being included in the political charges of the Account No. 2, it appears to me that the original sum ought similarly to be included in the receipts.

4700. Do you not find, on referring to No. 2, that that is a statement of revenues and charges of the several presidencies of India, and that the Account No. 20 is a general statement, showing the amount of the proceeds of the sales of goods and merchandize of the East-India Company in Great Britain, and of

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their commercial and other receipts, charges, and payments in Great Britain?—Yes, those are the headings of the accounts.*

4701. If the receipt could not have appeared under both those accounts, the one referring to European and the other to Indian receipts, the payment appearing in the Indian payments, inasmuch as it must have been a remittance from India to discharge a debt incurred in England, yet if the receipt could not appear under receipts in No. 2, ought the charge, in your opinion, to be included in No. 2?—I think the charge should not be included; or, if it is, that the receipt should also be included.

4702. Does it appear to you that there are any items of actual receipt not from loan which are not brought into this account?—I was going to explain two other items, which may be said to have been omitted, or rather which may fairly be added in the way of adjustment, in this account No. 2; the one is referred to in the following note; referred to from the year 1823-4: "If the sum paid to the Nizam in this year for the redemption of the Pesheush were excluded, there would be shewn a surplus revenue in 1823-4 of £173,722." This pesheush or tribute, payable annually to the Nizam, was bought up in the year 1823-4 for a sum of money equal to sixteen years' purchase, or £1,201,201, as exhibited in the account No. 2, B. It would be perhaps more correct to spread this sum of £1,201,201 over the sixteen years instead of placing it all into one year at the end of the account No. 2, so as thereby to magnify these charges; I admit nevertheless that it was a cash payment made in that year, and therefore I would not contend for any sum on this account being absolutely added to the surplus; but if it were so spread over the sixteen years to which I refer, there would then only be a portion of it chargeable to this account No. 2, whilst £810,841 would remain to be placed to the account of subsequent years; this therefore may be either omitted or included; I merely remark upon it here, to explain the memorandum, and the nature of this particular item of charge; but there is another sum adverted to in these accounts, which is a loan from the Nabob of Oude in 1815-6 of £1,109,975.

4703. Where does that appear?—That will be found to be more particularly explained in No. 1, A. This sum, as stated in the note to the account No. 1, A., "was commuted for territory by the treaty of 1st of May 1816; the amount may therefore be considered as a deduction from the charges of the war against Nepaul, from which state the territory was conquered, and as increasing the Bengal surplus revenue to £3,051,442," instead of £1,941,467 given as the surplus of that year. Now as that sum of £1,109,975, or the equivalent thereof, is obviously included in these charges also, inasmuch as it constitutes a portion of the expences of the Nepaul war, so I

* See post, p. 633, paper D

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think ought the sum itself to be included in the receipts. These are items which present themselves on the face of the accounts before me; there may be others which would admit of being added to this account in the way of adjustment, but of which I have no knowledge from official documents; but according to the analysis which I have just given in of this account, the total actual surplus for the nineteen years included in it would amount to £21,194,226, if the whole adjustments be admitted, or to £17,853,385, if Nos. 1 and 2 be excluded.

4704. You have stated that the Commercial Accounts of the East-India Company are so kept as to give no intelligent results; could you give the Committee the form of an account which, if filled up from the documents in the India-House, would give that intelligible result?—I could not do that here; it would require some time to consider the form and matter of an account of such complicated commercial transactions as those of the Company appear to be; but if the books at the India-House are kept as the accounts of mercantile establishments generally are, there can be no difficulty in making out such an account.

When I was last before the Committee, having urged in my statement respecting the revenue system of India the great importance of particular attention, as well to its principles as to its effects, I could wish, with permission, to say a few words in addition to my former evidence on this subject.

The matters requiring most attention, as regards the revenue systems, may be classed under the following heads:—First, our revenue systems owe their origin to laws and principles peculiar to our predecessors the Mussulmans, according to which the ruling power assumes the right of being acknowledged sole proprietor of all the lands in his dominions: secondly, as a merciful consideration for saving the lives and granting freedom to conquered subjects, the Mussulmans also enacted, that one-half the gross produce of the soil should be the share of the sovereign; in the enforcement of which rent and revenue came to be confounded, and the whole class of landed proprietors, properly so called, annihilated, or reduced to beggary, or to become cultivating tenants, or labourers, on their own estates: thirdly, that the Company's government adopted these principles on succeeding to the Dewanny in Bengal in 1765, as well as in other provinces of India which have since submitted to our arms, without however attaching to them the condition of either loss of life or of personal freedom: fourthly, that half the gross produce of the soil of extensive dominions being utterly incapable of ascertainment, the imposition of such a rate as a land tax could never be otherwise than unequal in the extreme, and the collection of it arbitrary and vexatious: fifthly, that the extreme pressure of this exorbitant revenue has for ages kept down, and still keeps down, the great mass of the native inha-

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bitants in the lowest stages of poverty and ignorance: sixthly, that hosts of native servants in subordinate situations, and with low salaries, are necessarily employed to collect this most oppressive and unequal tax, whose acts no vigilance on the part of Collectors or Judges has hitherto been able to controul, and whose extortions on private account, in addition to the public revenue, add irremediably to the wretchedness and poverty of the people: seventhly, that besides the excessive pressure of this tax, government, in the exercise of its sovereign proprietary right, has transferred by free grant in some instances, and by sale in others, vast tracts of country from its ancient hereditary possessors to persons named Zemindars; i. e. collectors, and to absolute strangers, which the ousted lawful proprietors consider, in their present state of habitual poverty, to be a greater calamity even than the tax itself.

Of these facts abundant proofs are now extant in various authentic writings, and more especially in four folio volumes of Revenue and Judicial Selections from Indian Records, printed by the Court of Directors, and liberally circulated for the use of their servants abroad; and were I to quote what these volumes contain in evidence on the subjects adverted to, it would only be to fill another. I shall therefore confine myself to a short remark on the last head, as connected with other parts of my former examination. When the zemindarry settlement was introduced into Bengal, the lands were made over in full proprietary right to Zemindars, hereditary collectors under the Mussulman administration, from our being then ignorant that actual proprietors existed, called in Bengal village Zemindars, cultivating Zemindars, village proprietors, &c. Subsequent inquiries, however, have brought to light that these proprietors had managed to preserve a record or undisputed tradition of their rights throughout all the rigour of eight centuries of Mohammedan sway; but from the degraded state to which these proprietors under the operation of the revenue system were reduced in 1793, they were overlooked, and their lands transferred in perpetuity to others. My Lord Hastings, then Lord Moira, on a tour of inspection through the inner provinces, expresses himself on this head in the following terms: "Within the circle of the perpetual settlements the situation of this unfortunate class is yet more desperate; and though their cries for redress may have been stifled in many districts by their perceiving that uniform indisposition to attempt relieving them which results from the difficulty of the operation, their sufferings have not on that account been the less acute. In Burdwan, in Behar, in Cawnpore, and indeed wherever there may have existed extensive landed property at the mercy of individuals (whether in farm or jaghire, or talook or zemindarry,) of the higher class, complaints of the village Zemindars have crowded in upon me without number, and I had only the mortification of finding that the existing system established by the legislature

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left me without the means of pointing out to the complainants any mode in which they might hope to obtain redress. In all these tenures, from what I could observe, the class of village proprietors appeared to be in a train of annihilation, and unless a remedy is speedily applied the class will be soon extinct. Indeed I fear that any remedy that could be proposed would even now come too late to be of any effect in the estates of Bengal; for the licence of twenty years which has been left to the Zemindars of that province will have given them the power, and they have never wanted the inclination, to extinguish the rights of this class, so that no remnants of them will be soon discoverable." In like manner, the Commissioners of the Ceded and Conquered Provinces, speaking of those persons, remark, "The whole of this valuable class of landholders may be considered to be extinct in the lower provinces, in consequence of the interpretation put on the title of general Zemindar, who was considered, by the terms of the permanent settlement, as the universal proprietor of the soil, and the fountain from which alone any other person could derive a property."—Beng. Rev. Sel. vol. I. p. 361—371.

It is no doubt known to several noble Lords of this Committee, that village communities and other associations exist among the natives to which particular rights and privileges attach. Among others, the lands belonging to villages are either a joint property or divided into separate estates. These proprietors in the upper provinces of Bengal are called Malguzars. In the settlements for the revenue the head man of the village, or Sudder Malguzar, is treated with and made responsible for the whole amount. These joint or village properties have consequently been treated in many instances as one estate, and in the event of the Sudder Malguzar failing in his payment, the whole village is sold to make good arrears; all the joint or minor proprietors, the innocent and the defaulters, suffer together; their ancient hereditary properties are lost to them, and made over, for a price, generally to a stranger, by whom the real landlords are then considered in no better light than mere tenants at will. Now, my Lords, it is impossible that acts of this kind could have occurred, and they have unhappily been but too frequent, had we been better acquainted with native usages, institutions, and rights—had our intercourse with the natives been more intimate—or had natives of respectability and character occupied situations to enable them, either by conveying information, or in the exercise of their official functions, to check such proceedings? But these matters, with many others of a like import, have strongly impressed on my mind the necessity of native co-operation and aid, if we really mean to improve the state of India and the condition of its people. At all events, the experiment may be worth trying, since all other means devised by the ablest of our European public servants have hitherto proved unsuccessful.

I was also asked, whether I could suggest any remedy for the evils complained of in the revenue administration; on which head I could not but feel diffident, as I still do, to offer suggestions, where so many abler persons have decidedly failed. One of the great objections to our revenue systems, as I then observed, is the extreme inequality with which an almost intolerable tax presses on the great body of the community. There are instances on record of large fortunes having been made by Dewans, Serishtadars, &c., in consequence of fraudulent and partial assessments; the many are thus overloaded with taxation to favour the frauds and corruptions of a few; and the continuance of these practices is not a little promoted by the utter despondency into which the ryots are thereby plunged. Its effects cannot be better described than in the words of the late Sir Thomas Munro:—" It is," he says, " well known that the great body of the ryots will submit to extra assessments as long as they can pay them, rather than seek redress from the courts. There cannot be a stronger proof in support of this observation than the occurrences in Coimbatoor for some years past; where, though at least 30,000 ryots have paid extra assessments, and numbers have been compelled to part with their sheep and cattle without compensation, very few of all this number, probably not twenty, have ever sought redress from the Zillah Court, though the Judge is acknowledged to be a most active and zealous public servant. It is therefore impossible to resist the conclusion that our institutions are inefficient, and that the same abuses, to a greater or less extent, must prevail in every province under this government." All I would venture to add on this subject is, that through the medium of village communities and other local associations, and with the co-operation and aid of respectable natives, employed and controlled as before suggested, it is hoped that some equalization of the assessment, as well as some mitigation at least of the other evils of our revenue system, may be effected; but I must at the same time confess that I should be apprehensive neither this nor any other series of measures will succeed, unless confidence can at the same time be generally inspired that the land-tax or aggregate amount of land revenue will never be raised on the inhabitants, but, on the contrary, gradually reduced.

4705. Have any circumstances lately come to your knowledge which induce you to think that a more extended residence of Europeans in India would be agreeable to the well-informed natives, and be considered by them of advantage to the country? —There have, since I was examined on a former day. The circumstances I allude to are facts which two natives of rank and intelligence are reported to have attested as the result of their own personal observation; and as facts are of more importance than reasoning, I would beg leave to submit them, as a better answer to the question than any opinions of mine.

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They may perhaps be the more deserving of your Lordships' attention, from the very uncommon circumstance of their having been detailed in elegant English speeches delivered by the natives in question at a public meeting of the inhabitants of Calcutta, on the question of petitioning Parliament with reference to the discussions pending in this house. One of them, Dwarkanauth Tagore, said, "With reference to the subject more immediately before the meeting, I beg to state that I have several zemindarries in various districts, and that I have found the cultivation of indigo and residence of Europeans have considerably benefited the country and the community at large; the Zemindars becoming wealthy and prosperous; the ryots materially improved in their condition, and possessing many more comforts than the generality of my countrymen where indigo cultivation and manufacture is not carried on; the value of land in the vicinity to be considerably enhanced, and cultivation rapidly progressing. I do not make these statements merely from hearsay, but from personal observation and experience, as I have visited the places referred to repeatedly, and in consequence am well acquained with the character and manners of the indigo planters. There may be a few exceptions as regards the general conduct of indigo planters, but they are extremely limited, and comparatively speaking of the most trifling importance. I may be permitted to mention an instance in support of this statement. Some years ago, when indigo was not so generally manufactured, one of my estates, where there was no cultivation of indigo, did not yield a sufficient income to pay the government assessment; but within a few years, by the introduction of indigo, there is now not a bega on the estate untilled, and it gives me a handsome profit. Several of my relations and friends, whose affairs I am well acquainted with, have in like manner improved their property, and are receiving a large income from their estates. If such beneficial effects as these I have enumerated have accrued from the bestowing of European skill on one article of production alone, what further advantages may not be anticipated from the unrestricted application of British skill, capital, and industry, to the very many articles which this country is capable of producing, to as great an extent and of as excellent a quality as any other in the world, and which of course cannot be expected to be produced without the free recourse of Europeans!"

The other was an individual whose name is well known in the country, the celebrated Rammohun Roy. He is reported to have said, "From personal experience, I am impressed with the conviction, that the greater our intercourse with European gentlemen the greater will be our improvement in literary, social, and political affairs: a fact which can be easily proved by comparing the condition of those of my countrymen who have enjoyed this advantage with that of those who unfortunately have not had that opportunity; and a fact which I could to the

best of my belief declare on solemn oath before any assembly. 28 May 1830.
I fully agree with Dwarkanauth Tagore in the purport of the resolution just read. As to the indigo planters, I beg to observe, that I have travelled through several districts in Bengal and Behar, and I found the natives residing in the neighbourhood of indigo plantations evidently better clothed and better conditioned than those who lived at a distance from such stations. There may be some partial injury done by the indigo planters; but on the whole they have performed more good to the generality of the natives of this country than any other class of Europeans, whether in or out of the service."

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The facts contained in these addresses completely verify what I ventured to predict in 1813, as to the effect which the opening of the trade to India would have in lightening the pressure of the zemindarry tax. The speeches may also be taken as a specimen of what the natives are capable, and received in connection with the recommendation I have taken the liberty to offer for a more extended employment of them in high and responsible offices. In forming my opinions on this head, I have not disregarded those of an opposite tendency by distinguished public servants in India, whose experience has led them to think differently of native probity and efficiency; but whatever faults or defects may be observed in them now, from long-continued habits arising out of the nature of the government by which they have been ruled, I am persuaded, that when our intercourse with the natives is more intimate—when high offices are opened to their ambition, and seminaries for their improvement—when enviable distinctions are found to be the reward of talent and integrity, and shame or punishment to be the end of vicious conduct—character will become of greater value among themselves; neither can I perceive any just grounds for apprehending why the same causes, the same hopes and fears, which generate high principles in other more enlightened societies, should fail, under like circumstances, equally to influence the conduct of native Indians.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Friday next, one o'clock.

Note.—On Friday, the 4th of June, the Lord President read to the Committee the following letter, which he stated he had received from Mr. Rickards, with his evidence revised, and the papers subjoined:—

My Lord, 54, Wimpole Street, 3d June 1830.

I have the honour to return my evidence before your Lordships' Committee on the 28th ultimo, corrected; and regret that ill health has prevented my doing it sooner. The same cause obliges me, under the most positive injunctions of my physician, to retire from all business or occupation of a laborious or exciting nature; and as this will necessarily prevent my attending the Lords' Committee, or that of the House of Commons, for further explanation, I have been anxious to render my present evidence as complete and explanatory as the

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state of the Company's printed accounts will admit. The importance of the question here discussed renders indeed a full explanation quite indispensable. I have been accused, but unjustly, of hostility in these discussions to the East-India Company; whilst my feeling is decidedly the reverse. In the evidence I have given before your Lordships, and before the Committee of the House of Commons, my sole object has been to convey the conviction of my own mind that the Company's trade has been as injurious to themselves as to the British public at large, and the whole of the Eastern world; and that, without commerce, they would be the fittest medium His Majesty's Government could employ for the political administration of India; that in fact their government of India, without the present admixture of commercial objects, would be both profitable and creditable to themselves. Under these impressions, as well as the circumstance adverted to in the beginning of this letter, I have made some additions to my last evidence; but as these additions are merely explanatory, and do not alter in the least, but on the contrary corroborate the only point I was anxious throughout that examination to impress, I should be glad if your Lordships could allow them to stand as part of my evidence on that day. At all events, the explanations now given will lead to the ascertainment (my sole object) of whether there be or be not a surplus revenue in India, a fact which I take to be of vital importance in the present discussions.

I have the honour to be, with great respect,
My Lord,
Your Lordship's most obedient humble servant,
R. RICKARDS.

The Lord President
of the Select Committee of the House of Lords
on East-India Affairs, &c. &c.

Paper A. [See ante, p. 612].

ANALYSIS of the Account, No. 2, or Statement of the Revenues and Charges of India, &c. from 1809-10 to 1827-28, and contained in the Collection of Papers relating to the Finances of India, February 1830.

In the Columns of the "General Result" the surplus revenue amounts to	£. 4,036,928	£.
And surplus charge to	20,181,493	
Apparent charge	16,144,565	
Deduct interest on debts	32,887,975	
And there remains an actual surplus receipt of		16,743,410
Sums which it is conceived may be added to the receipts, to shew the amount of financial resource within the period:		
1. Loan from Government in 1812		2,500,000
2. Portion of Nizam's Peshcush not appertaining to this Account, vide No. 2, B.		840,841
3. Loan from the Nabob of Oude in 1815-16, for which he was reimbursed by a territory conquered from the Nepaul state, and which it is admitted, in Account No. 1, A., ought to be added to the Bengal surplus revenue of that year		1,109,975
Total surplus in 19 years		21,194,226

Paper R. [See ante, p. 613]. 28 May 1830.

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There is another and perhaps a simpler course by which a surplus may be deduced from these accounts. The statement No. 2 now before me is a regular cash account of territorial receipts and disbursements. If then it be insisted on that the debt is only political, and incurred to defray political charges, it is but fair that the account which bears all the charges should likewise have the benefit of all the receipts; in other words, that if the account is credited with the interest paid on loans, it should also be debited with the principal, or the amount received. With this adjustment, the account would then stand thus:—

On the 30th April 1793, the Indian debt is stated, in Appendix No. 7 to the Second Report of the Select Committee of the House of Commons of 1810, to be	£. 7,971,665	£.
And on the 30th April 1827, it is stated, in No. 4 of Papers relating to Finances of India, &c. February 1830, to be	42,870,876	
Increase of debt, or money raised on loan, during the period..		34,899,211
Deduct the surplus charges during the period as follows:—		
Excess of political charges from 1792-93 to 1808-9, as per No 6 of Appendix to the Second Report of Select Committee, 1810....	5,078,015	
And the political charges paid in England, as per No. 46 of Appendix to Third Report ..	6,138,448	
Add,	£11,216,463	
Surplus charge from 1809-10 to 1826-27, as per No. 2 of Papers, &c. February 1830....	13,589,894	
Total of Surplus of charges for both periods		24,806,357
Net surplus........		10,092,854
But the interest on £7,971,665 of debt, which existed previous to the period, should be deducted from the whole charge of interest.		
This may be moderately calculated at 8 per cent. for the whole term, as, during a part of it, it bore 10 and 12 per cent.		
For 35 years it would amount, at 8 per cent., to		22,320,655
Which being deducted from charges, or added, as here, to the surplus, makes the surplus of the whole period		32,113,509

This account admits of adjustments which would probably increase the surplus; but as it stands it is sufficient to prove the fact exhibited in the printed accounts before the public, that for the whole 35 years here adverted to there has been a large surplus of territorial receipts. It is then precisely this surplus which requires to be satisfactorily accounted for; for if it cannot be shown to have been wanted to defray the territorial charges over and above the whole supply from

28 May 1830. revenue, the conclusion is inevitable that it must have been absorbed by commerce.

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Paper C. [See ante, p. 618.]

In respect to the difference of ten millions to be accounted for in this latter period, there is a curious coincidence in the series of accounts on the table, which, although they do not admit of our deducing from them precise results, still afford data for general conclusions, which, if not correct, must at least be admitted to require explanation.

In No. 21, which purports to be a general statement of receipts and payments, territorial and commercial, in and from the Home Treasury, from 1814-15 to 1828-29, there are two or three striking appearances which deserve attention:—

First—This account contains from year to year the sale proceeds only of goods imported, amounting in the aggregate to		£. 85,459,872
Of which were returned to India in goods for sale and use	£. 14,500,042	
And in bullion	1,899,131	
Total	£16,399,173	

And as the exported goods are known to have sold at a heavy loss, it follows that the difference between the out-turn of their sale and the value of investments for re-consignment to England must have been supplied from the Indian revenues, or, what amounts to the same thing, from loans charged on the revenues.

Secondly—As the total receipts and payments in this account balance each other, with only a trifling surplus at the end of the term of £385,703, it is manifest that the whole sale proceeds of the goods are absorbed in each year in these payments, save the small returns to India above-mentioned, and without any reference to prime cost and charges (freight only excepted); whence it follows that the whole of the investments homewards cannot be supplied from capital, but gratuitously, as would appear, from year to year, out of territorial funds.

But thirdly—The Act 53 Geo. III., c. 155, s. 56, provides, that for payments made out of home funds on account of territorial charges in England, advances shall be made from the revenues of India equal to the payments so made in England, to be remitted through the medium of Europe and China investments, or by direct remittances, at the option of the Court of Directors; but every excess of advance over said payments in any one year shall be taken into account in diminution of the sum to be so applied in the year following. According to this clause, these remittances ought to be accounted for separately from the commercial concern: but they are not. In No. 21 they are blended, that is, the sale proceeds of all the goods supplied both for territorial and commercial purposes are classed under the head of

"Commercial Receipts," which consequently amount in the aggregate to	£96,516,263
Whilst the commercial payments are only £58,239,288	
Leaving thus an apparent large balance in favour of commerce.	
But if a sum equal to the balance of territorial payments for which these goods were in part remitted, and are by law directed to be appropriated, be deducted from the sum of "Commercial Receipts," viz.	37,775,154
It leaves only, as actually applicable to commerce, the sum of	£58,741,109

And therefore no more than a bare sufficiency to cover the sum total of commercial payments; whence the prime cost of the homeward goods and charges thereon (freight only excepted) must have been supplied from other funds; and this may possibly account for the excess of loan above specified.

This conjecture is strengthened by reference to No. 13 of this series of papers, wherein the supply for the purchase of investments from commercial funds abroad for the period in question is no more than £6,207,019, whilst the cost of the supplies from Europe is, as above stated, £16,399,173. If then the difference of £10,192,154 be the actual deficit requiring to be supplied for the purchase of return goods on commercial account within the period, it corresponds so nearly with the excess of loan above specified as must be admitted to be at least a striking coincidence.

At all events it will be found, on inspection of this account No. 21, that in every year throughout the period the commercial reports, after appropriating what by law attaches to territorial payments, are wholly absorbed by commercial payments, in like manner as above-mentioned regarding the aggregate. It thence follows, that if the exported goods, whether from delayed sales or charges and losses, &c., or from all together, only produced net during the period £6,207,019, as above, whilst £16,399,173 were required, the difference, or £10,192,154, could only have been supplied by the revenues; and the revenues accordingly falling short to meet political emergencies, loans were raised, which according to usual practice were then charged, but unfairly as I conceive, on the territorial department.

In adducing this coincidence, however, I do not mean to assert that the one ten million accounts for the other; the accounts in each case may be accidental; but the facts from which they spring are corroborative of what may be deduced in various other ways from the official documents before the public; *viz.* that there is and must be a deficit of commercial funds, which the revenues, or loans charged on the revenues, are made to supply; and without which the Company's commerce, as I apprehend, must long ago have ceased.

Paper D. [See ante, p. 623].

My reason for coming to this conclusion it may be as well to explain.

Nos. 20 and 21 are general statements of receipts and payments of

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the Home Treasury, territorial and commercial. In No. 20 this sum of £2,500,000 is entered as a receipt, together with sundry small payments in redemption thereof. In this account the territorial and commercial branches are not separated, being previous to the commencement of the present charter; but the balance of No. 20 is carried over to No. 21, where the receipts and payments are separated; and this loan is carried forward in each year under the territorial head to 1822-3, when it was finally liquidated; but in this year, although the whole sum of £2,500,000 had been debited in No. 20 as a receipt, the £1,300,000 before-mentioned, forming part of the other sum, is again debited as a receipt in No. 21, therefore a double entry.

But the territorial payments in No. 21 seem to be of the description of those enumerated in former documents as the "Territorial Charges paid in England;" and as the balance of payments for the whole period, after deducting bills for interest and principal of Indian debt, correspond very nearly with the sum total of territorial payments in No. 2, or with as little discrepancy as we find in the other printed statements, with the exception of the years in which bullion is imported from India and exported to reduce the Indian debt, when the greatest discrepancy appears,) I therefore conclude, more especially as the sum total of the thus adjusted payments is greater in No. 2, as well as from the entries above described of the £1,300,000, that the whole of the repayment of this loan is also included in the political charges abroad and at home of No. 2. If it be otherwise, the notes appended to No. 2, more especially when coupled with the explanation of this transaction given in the Act 3 Geo. IV. c. 93, are calculated to mislead. I have therefore been induced to place the sum of £2,500,000 in the analysis as an item to be added to the surplus receipts, subject to further explanation.

It will be obvious too, on inspection of the analysis, that the adjustments marked 1, 2, and 3, are only intended as additions to the receipts, for the purpose of ascertaining the real state of the Company's financial resources during the period.

Die Veneris, 4° Junii 1830.

The Lord President in the Chair.

PATRICK KELLY, LL.D., is called in, and further examined as follows:

4 June 1830. — P. Kelly, LL.D.

4706. Have you completed the calculations you were directed to make for this Committee?—I have.

4707. Are those the calculations you have in your hand?—They are.

Have the goodness to deliver in the same.

The witness delivers in the same, and they are read as follow:

A STATEMENT showing the Cost per Pound of the Samples of Tea received by the Commissioners for the Affairs of India from His Majesty's Consuls, and the Value affixed to the respective Samples by the London Tea Brokers.

4 June 1830.

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P. Kelly, LL.D.

The wholesale Prices are adopted exclusive of Government Duties; the Foreign Weights are converted to English Avoirdupois, and the Foreign Monies reduced to Sterling, according to the intrinsic Par of Exchange, computed in Silver at 5*s.* 2*d.* per oz. British Standard.

	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad.			Value affixed by the London Brokers.	
HAMBURGH.							
Twenty-six Samples:			*s.*	*d. q.*	*dec.*	*s.*	*d.*
Bohea	1	1	0	7¼	·54	1	4
Ditto	2	2	0	9½	81	1	4½
Congou	3	3	1	0½	·42	2	1½
Ditto	4	4	1	4¾	·30	2	6
Campoi	5	5	1	0¼	·42	2	1
Ditto	6	6	1	3¾	·08	2	0½
Souchong	7	7	0	8¾	·76	No price: unfit for use.	
Ditto	8	8	1	0	·54	2	0½
Ditto	9	9	1	8	·85	2	3
Pecco	10	10	3	0¾	·70	3	10
Ditto	11	11	4	7¾	·66	4	0
Ditto	12	12	5	11½	·96	5	6
Hyson-skin	13	13	0	7¼	·54	2	1
Ditto	14	14	0	11½	·42	2	2½
Ditto	15	15	1	3¼	·19	2	3
Twankay	16	16	0	10½	·20	2	4
Ditto	17	17	1	3¾	·30	2	11
Ditto	18	18	1	4¾	·52	2	9
Young Hyson	19	19	1	0½	·64	3	0
Ditto	20	20	1	10	·60	3	11
Hyson	21	21	2	3½	·96	3	10
Ditto	22	22	2	7½	·60	4	2
Ditto	23	23	3	1	·92	5	0
Imperial	24	24	2	11	·48	4	10
Gunpowder	25	25	3	3	·14	5	3
Ditto	26	26	3	8¼	·24	5	8
ROTTERDAM.							
Thirty-five Samples:							
Bohea	1	27	0	9¼	·55	1	5½
Ditto	2	28	0	11¾	·56	1	5
Congou	3	29	1	7¼	·11	2	1½
Ditto	4	30	1	9¾	·62	2	1½
Ditto	5	31	2	2¼	·15	2	2½
Kampoo	6	32	1	5½	·10	2	4
Ditto	7	33	1	8	·61	2	1
Ditto	8	34	2	11	·2	3	4
Souchong	9	35	1	7¼	·10	2	0½
Ditto	10	36	2	7½	·10	2	3
Ditto	11	37	3	3¼	·72	3	8
Ditto	12	38	4	2¾	·29	4	2
Pecco	13	39	6	6¾	·45	5	3

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	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad.			Value affixed by the London Brokers.	
			s.	d.q.	dec.	s.	d.
ROTTERDAM.—(*continued*)							
Pecco	14	40	7	0	·48	5	2
Singlo	15	41	1	7¼	·11	3	0
Ditto	16	42	1	8	·61	2	2
Ditto	17	43	1	9	·12	2	5
Tonkay	18	44	1	5½	·10	2	1½
Ditto	19	45	1	7¼	·11	2	2
Ditto	20	46	1	9	·12	2	11
Hyson-skin	21	47	1	3¾	·04	2	1
Ditto	22	48	1	7¼	·11	2	1½
Ditto	23	49	1	10¾	·13	2	2
Hyson	24	50	2	9¼	·19	3	7
Ditto	25	51	3	1½	·71	3	8
Ditto	26	52	3	6	·24	3	10
Young Hyson	27	53	2	2¼	·15	3	7
Ditto	28	54	2	9¼	·19	3	9
Ditto	29	55	3	2½	·22	4	1
Imperial	30	56	3	7¾	·25	4	5
Ditto	31	57	4	2¾	·29	5	2
Ditto	32	58	5	1¼	·35	5	6
Gunpowder	33	59	4	4½	·30	4	9
Ditto	34	60	4	11½	·34	5	4
Ditto	35	61	5	6½	·38	6	0
FRANKFORT.							
Ten Samples:							
Hyson-skin	1	62	1	3¼	·41	2	1
Singlo	2	63	1	8¼	·78	2	3
Hyson	3	64	2	11¾	·29	3	8
Imperial	4	55	3	4¾	·76	4	8
Gunpowder	5	66	5	1¼	·64	5	4
Bohea	6	67	1	4¼	·5	1	11
Kempoy	7	68	2	11¼	·29	3	1
Souchong	8	69	2	6½	·82	2	3
Ditto	9	70	3	10	·23	3	10
Pecco	10	71	5	1¼	·64	4	2
PETERSBURGH.							
Six Samples:							
Black flower tea	1	72	11	11	·28	5	3
Ditto	2	73	7	3½	·15	4	9
Black family tea	3	74	5	10	·37	3	8
Ditto	4	75	3	0½	·51	2	1½
Green	5	76	11	11	·28	Not imported for Sale in England.	
Ditto	6	77	6	2	·13		
NEW YORK.							
Fourteen Samples:							
Hyson	1	78	2	10	·62	4	4
Ditto	2	79	2	3¼	·71	3	9
Ditto	3	80	2	0¼	·29	3	7
Young Hyson	4	81	2	7	·26	3	9

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	Consul's Number.	Number affixed at the India Board.	Cost Price Abroad.			Value affixed by the London Brokers.	
NEW YORK.—(*continued.*)			*s.*	*d.q.*	*dec.*	*s.*	*d.*
Young Hyson..........	5	82	1	11¼	·15	3	7
Hyson-skin	6	83	1	7½	·65	2	8
Ditto	7	84	1	0¾	·75	2	1
Souchong..............	8	85	2	7½	·27	2	2
Ditto	9	86	1	10¼	·01	2	0
Ditto	10	87	1	2¼	·96	1	10
Pouchong............	11	88	1	10¼	·01	2	0
Ditto	12	89	1	4½	·24	2	0
Gunpowder............	13	90	3	4¼	·46	5	2
Ditto	14	91	2	9	·48	5	0
BOSTON.							
Twelve Samples:							
Tonkay Hyson	1	92	0	11¼	·54	2	2
Souchong..............	2	93	2	1¾	·5	3	4
Ditto	3	94	0	11¼	·54	2	0½
Hyson-skin	4	95	1	1¾	·9	2	3
Ditto	5	96	0	10¾	·47	2	2
Young Hyson..........	6	97	1	8½	·8	3	8
Tonkay ditto	7	98	1	2¼	·96	2	2
Hyson	8	99	2	4¼	·86	3	8
Ditto	9	100	2	0½	·32	3	9
Ditto	10	101	1	8½	·80	3	8
Ditto	11	102	1	11¼	·15	3	9
Ditto	12	103	2	1¾	·5	3	9

The witness is directed to withdraw.

JOHN CRAWFURD, Esq. is called in, and examined as follows:

John Crawfurd, Esq.

4708. What is your situation?—I am general agent for the merchants and other inhabitants of Calcutta and Bengal.

4709. How long is it since you left India?—I left India in the month of July 1827.

4710. Have you paid much attention to the culture of cotton?—I have paid a great deal of attention to it; but not as a merchant or as an agriculturist.

4711. In Java as well as in India?—Yes; in Java as well as in India; in British India, as well as in several other parts of Asia.

4712. Have you read a paper laid before Parliament, respecting the cultivation of cotton and tobacco in the East-Indies?—I have.

4713. It is stated in a letter from the Secretary of the Court

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of Directors to the Secretary of the India Board, that the cultivation of fine cotton in India has been checked by an unlooked-for difficulty; namely, that the consumption of cotton having a long silky staple is very limited, and that the demand for the British and foreign manufactures does not require, and consequently purchasers cannot be found for a large supply of Bourbon cotton. Is this consistent with the information you have been able to collect upon the subject?—I believe it is perfectly correct, as far as respects the Bourbon cotton, which has nearly gone out of use with the manufacturers of this country; but it is not correct as far as respects other long-stapled cotton generally. I have here an account of the export of Sea Island cotton from the United States, which is long-stapled cotton, and which shews that it is increasing.

4714. Describe the difference between Sea Island cotton and Bourbon cotton?—The Sea Island cotton and Bourbon cotton are the two finest descriptions of long-stapled cotton which have ever been used by the manufacturers of this country.

4715. Is the cotton cultivated in India Bourbon cotton or Sea Island cotton?—Long-stapled cotton of any description has never been cultivated in any part of British India. Attempts have been made to cultivate Bourbon cotton three or four times unsuccessfully; but I believe no long-stapled cotton has ever been cultivated in any part of Asia.

4716. Do you know for what reason it has not been so cultivated?—I will mention, if your Lordships please, the facts respecting the introduction and culture of Sea Island cotton in the United States.

4717. Can you state to the Committee why long-stapled cotton has not been cultivated in India?—The obvious reason of its not being cultivated is, that there has never been any skill nor any capital applied to the cultivation of it; that the natives do not require it for their own manufactures, and that it had never been required for exportation.

4718. Is not that opinion of yours directly at variance with the opinions stated in the letter from the Court of Directors to the Secretary of the India Board?—I suppose it is quite at variance; my opinions are derived from the manufacturers of this country, and I believe it to be perfectly correct.

4719. Have you yourself witnessed the cultivation of cotton in India?—Yes, to a certain extent; it is short-stapled cotton invariably.

4720. Is any long-stapled cotton cultivated in any part of India?—It may be as matter of curiosity; but certainly not to any extent, in any part of India that I have been in.

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4721. Are you aware whether there are any circumstances in the soil or climate of India, which render the cultivation of long-stapled cotton more difficult than in other countries?—I am not aware of any circumstances, except the want of capital and want of skill in the cultivators.

4722. Is more capital required for the cultivation of long-stapled cotton than of short?—I would apply my observation to the cultivation of good cotton, long or short-stapled, fit for our manufactures. The cultivation of cotton for the manufacture of this country is for the most part of short-stapled cotton.

4723. Does the capital employed in the cultivation of cotton depend upon the fineness of the cotton produced?—Certainly; and upon the degree of skill required in the cultivation.

4724. Does it require great skill?—No doubt it does. I have got here an extract of a letter from Bombay, dated the 13th of June 1829, which, with the permission of the Committee, I will read; it explains this matter: "I have now very little hope that we shall be able to do anything whatever towards improving, even in the smallest degree, either the staple or cleanness of the Surat cotton, for it is not for the advantage of the grower of the article to expend one rea on the improvement of the ground, or the smallest extra labour in its cultivation; the ryot is so completely dependent on banyans, who have made advances on the growing crop, which advances are the whole payment the ryot ever receives for his crops, and he frequently is obliged to throw water on the cotton, and mix up dirt with it, to bring it up to the weight he has bound himself to deliver. Of late years these tricks have become much more common than they used to be, and we are forced to be very particular in choosing cotton, to see that it has not been damped. The picking time, too, is not left at the option of the grower, for until the Company's Revenue Collectors have made their circuit of the district, to ascertain the value of the crops on the ground, in order to judge what amount of taxes to levy, no one is permitted to commence the harvest; and in some seasons, as the present one for instance, when the circuit is not made till late, it has all the effects of a short crop, until navigation can be resumed after the rains. Formerly the Company received their taxes in produce; and then, as they were very particular in refusing all dirty or leafy cotton, and when the ryot was freer in fixing his own time of picking, we used to receive very superior cotton to any now seen; and there can be no doubt that were they to return to that system, an amelioration would soon follow." I believe there has not been the slightest improvement, as appears from all merchants and manufacturers, in the quality of Surat or Bengal cotton since the year 1814; I believe, also, there has not been the slightest improvement since the year 1790, when Indian cotton was first imported into this country.

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4725. Do you know what plans are in contemplation by the Court of Directors for the improvement of the growth and cultivation of cotton?—I know nothing more than is stated in the paper laid before your Lordships' Committee, and published. I should think that any plan originating from persons in authority is not likely to succeed. The East-India Company themselves in this paper confess that for thirty years they have been making endeavours to improve the quality of cotton, and yet it is notorious that the quality has not been improved in that time; I think, therefore, such efforts may be looked upon as hopeless.

4726. Is not the deterioration of the cotton attributed, in the letter you have read to the Committee, to 'some of the Regulations lately adopted by government, particularly as to the mode of collecting the revenue?—Yes, it is.

4727. If the facts stated in that letter be well founded, would not an improvement in the cotton take place if those late Regulations were repealed?—I have great doubts whether any material improvement would take place by the repeal of those Regulations. A trifling improvement would take place by returning to the old system, if the Company received as they had been in the habit of receiving, at Surat and in the Bombay presidency generally, their revenue in cotton; they would then insist on having the best cotton delivered to them; but I conceive a return to that system would be worse than the present.

4728. What measure would you suggest as best calculated to improve the cultivation of cotton?—A free admission of European settlers, and a free admission of European capital; I can conceive no other means of improving an article of that description; I do not believe that any fine cotton has ever been produced to any extent, except by such means as I am now endeavouring to indicate.

4729. Is there any cotton finer than that of Dacca?—I see it stated in the papers already quoted, that the cotton of Dacca is remarkably fine, and I suppose it is so from the quality of the goods manufactured from it; but it is in very trifling quantities; it is evidently very high-priced, and there is not an ounce exported. Whether it is fine or coarse is a matter of very little consequence to the manufacturers of this country; it is unknown altogether in the markets of Europe, and unknown even in the market of Calcutta.

4730. Has European capital ever been employed in the cultivation of it there?—I believe not in the slightest degree.

4731. Has it not been renowned for years as the finest cotton of India?—That is what I am not at all aware of.

4732. Is it not notorious that the finest muslins in India were made of the Dacca cotton?—Yes; but it is a fact not generally

known that those fine muslins have been manufactured from that fine cotton. 4 June 1830.

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4733. Is it, or not, the fact?—I believe long-stapled fine cotton is never grown in any country except in the immediate neighbourhood of the sea. The cotton of Dacca, it appears from the statement given in to your Lordships' Committee, is grown within twenty miles of the sea, and I therefore imagine it may be long-stapled fine cotton. The Sea Island cotton is grown in the immediate neighbourhood of the sea. The Bourbon cotton is grown there; and I understand the fine cottons of China are grown also in the immediate neighbourhood of the sea.

4734. Has the Dacca cotton ever found its way to the British market?—From inquiries I have made, I am certain it has not.

4735. Have not the finest muslins of India been always made of this Dacca cotton?—I cannot state that the finest muslins of India have been always made of Dacca cotton.

4736. Is the Dacca cotton spun by hand?—Invariably; and every cotton is spun by hand in India.

4737. Do you know whether it would bear being spun by machinery?—I am not acquainted with the character of that cotton, and my opinion respecting it would be but mere matter of conjecture; it has never been imported into this country.

4738. Do you know of what cotton the fine muslins of India have been made?—I suppose they have been made from the cotton produced in the neighbourhood of Dacca, which has been the seat of the fine manufacture of muslins from time immemorial; but the lower provinces of Bengal, that is, Bengal Proper, have never produced cotton of any description, fine or coarse, for exportation.

4739. Fine cotton having always been produced in the neighbourhood of Dacca, and European capital never having been employed in the cultivation of it in that place, may not the Committee conclude that it is not essential to the production of fine cotton that European capital should be employed, and that its production depends on other circumstances of soil and climate?—The fine cotton of Dacca never having been produced to any extent, nor ever been exported or become available to the manufacturers of this or any other country, I conceive the question does not alter the opinion I have given, that fine cotton, short-stapled or long-stapled, can only be produced through European industry and through European capital. It has never in reality been produced for any useful purposes but through them.

4740. To what circumstances do you attribute the fineness of the Dacca cotton?—The Dacca cotton is an article with which I am not in the least acquainted, either personally or from

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inquiry, therefore I cannot speak with the least degree of confidence to that. I hold in my hand a letter which describes the mode in which the Sea Island or fine long-stapled cotton was first introduced into the United States, which I think illustrates this.

4741. Are you yourself acquainted with the mode of cultivating different sorts of cotton; have you ever seen the thing done?—As a civil officer of the Indian government, engaged in making revenue settlements in the island of Java, and employed in procuring information on commercial subjects on missions I have been sent upon, I have made particular inquiry both as to the cultivation and preparation of cotton.

4742. The different sorts of cotton, the long and the short-stapled?—Yes; I have paid as much attention, I think, as most persons.

4743. Have the goodness to explain to the Committee the difference which exists in the manner of cultivating any short-stapled cotton?—The long-stapled cotton I absolutely know nothing of, except from report, because long-stapled cotton has never been cultivated in any country I am acquainted with; I have never seen it cultivated except as an experiment on a small scale not worth speaking of.

4744. Never having seen it except as an experiment on a small scale not worth speaking of, what leads you to conclude that nothing but European capital can possibly succeed in its cultivation?—European capital having succeeded in the cultivation of fine cotton fit for the manufactures of England in almost every country which can with any fairness be compared with Bengal or any part of British India, through European capital and skill, I conceive there can be no ground whatever for believing but that the same means shall succeed in British India.

4745. The question is not whether European capital would fail of producing fine long-stapled cotton; but why nothing but European capital should be capable of producing it in India?—My reply to that question is, that nothing but European skill or capital having produced it, I think there is no ground, from experience, to imagine that any thing else should effect it.

4746. Was long-stapled cotton unknown until European capital was applied to its cultivation?—I believe so; as far as I know, it was.

4747. Is the cotton of Dacca long or short?—I am not aware; I suppose short-stapled; but it is not an article known at all in commerce.

4748. Will you state to the Committee why European capital is required for the cultivation of long-stapled cotton, while

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short-stapled cotton car be cultivated without it?—I have never said that good short-stapled can be cultivated without it; I do not know that short-stapled has been cultivated without it; I am not aware of any example of good short-stapled cotton being produced without European skill and capital.

4749. Whether Dacca cotton be long or short, it has been cultivated without European capital?—It has been cultivated to a very limited extent, and for local purposes.

4750. Has it been entirely manufactured on the spot?—Entirely, as I conceive; but I would beg permission of the Committee to decline saying any thing respecting an article I am not acquainted with, and which is entirely unknown either as an article of agricultural production or of commerce.

4751. Have the goodness to describe the cultivation of cotton you have yourself witnessed?—In most of the countries I have been in, cotton has been grown as a second crop after the cultivation of rice. It is an annual plant which grows in about four months; it is cultivated with very little skill, and is generally a very hardy plant.

4752. To what countries do you refer?—I refer to the island of Java, and to considerable parts of Cochin China, and some parts of Siam and Ava; I refer also to some of the provinces of Bengal, where, however, it is not cultivated in exactly the same way, but very nearly so.

4753. When you say that it is cultivated without skill, do you mean that it is a plant which requires very little skill?—I apply that to cotton I am acquainted with; to coarse cotton, such as is now imported, under the description of Surat and Bengal cotton, into this country.

4754. That is hardy, and requires very little skill?—Yes; and in proportion as the cotton becomes fine, it requires more care.

4755. Have you never witnessed the cultivation of fine cotton? - I have witnessed the cultivation of finer cottons than others. I know there is a foreign cotton cultivated in Java, which is double the price of others, and that requires much more care in the cultivation.

4756. Specify the care necessary in the cultivation of that cotton—in what manner it is applied; was it applied in the selection of the seed, the preparation of the ground, the weeding of it after the seed was in it; or in what way?—I am not able to give any particular details on this subject; I only know the delicate would require very great care, the hardy would require but little.

4757. Did it appear to you that more care was bestowed upon this finer cotton than on cotton of an inferior description?

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—That is proved by the price in the market; it was double the price.

4758. Did that arise from the superior quality of the soil, or the seed which was used?—I think it did not. It was a peculiar seed no doubt.

4759. Was the ground better?—No doubt there would be a nicer selection of the soil.

4760. Was it in a better situation; nearer the sea?—I cannot recollect; I think not; but it was cultivated in very small quantities.

4761. If the seed was better, and the ground better, would not those circumstances alone account for some superiority of price?—No doubt.

4762. From any information you have obtained, what are the circumstances which it appears to you in the cultivation of the finer and long-stapled cotton would require the employment of considerable capital?—I beg to state, that I do not confine the observation I made respecting the necessity of European capital and European skill to the cultivation of long-stapled cotton, but to any cotton; I apply it to all good cotton, fit for the manufacture of this country. The short-stapled cotton is of far greater consequence to the manufacturers in this country, than the long-stapled cotton.

4763. Being acquainted with the cultivation of short-stapled cotton, have the goodness to explain in what manner the cultivation of that would have been improved by the employment of greater capital, and what you call European skill?—There would have been more care taken in selecting the seed, and more care taken in the growing, and, above all, more care in freeing it from the seed, and packing it, and bringing it into the market.

4764. Is there any great difference in the price of the different seeds?—That is a question which I cannot speak to; no doubt there is a difference in the price of the different seeds.

4765. Any thing material?—The seed which is more difficult to grow must be of a higher price than the seed which is easily grown. Seeds of the common cottons in India are of very little value; they are given to cattle for food.

4766. Is the seed of the Sea Island cotton of value?—That I cannot speak to.

4767. Have the goodness to explain the manner in which capital could have been advantageously applied in the cultivation of cotton after the seed was put into the ground?—I am not able to speak to that. I am not an agriculturist. I can only say generally, that European capital having succeeded in

producing very fine excellent cottons to an extraordinary and unexpected degree, I have no doubt it will succeed wherever it is tried; it has succeeded in other parts of the world, and there can be no question of its succeeding in India or anywhere else.

4768. Do you know how long a cotton plantation takes to come to maturity in India?—The common annual cotton will come to maturity in four or five months; but in cultivating the finer kinds, in India and elsewhere, they may, by care, be made to ratoon, that is, to grow from the roots; and then the varieties which are annual will become perennial, and be cultivated for three, or four, or even five years; but that is not the general practice. In India the seed is sown, the plant grows up, the cotton is taken from it, and it perishes within the year.

4769. There is a difference, you conceive, between the Indian and the American cotton in point of cultivation; the one plant being an annual, and the other not coming to maturity for two or three years?—I believe the greater part of the American cotton is annual as well as the Indian.

4770. Is the Sea Island an annual?—That is a perennial.

4471. Do you mean that there is any actual difference in the plant, or that where it is called perennial it is only allowed to remain in the ground a year or two longer?—That is a point I am not very well acquainted with. There are several species of cotton with which I am well acquainted; but I believe the greater part of the difference which in commerce we find in cotton is produced from varieties, and that the plants producing them do not constitute distinct species; the Sea Island cotton, for example, grown on the sea side, produces a very fine cotton; removed ten or twelve miles into the interior, it ceases to be so fine. From the statement given in to this Committee, I apprehend that the Dacca cotton will not grow except in a very limited district, within, I think, twenty miles of the sea, to the length of fifty miles from, and I believe to the breadth of three from the river side. I know that experiments have been made in cultivating the Bourbon cotton in the district of Benares, and there it totally failed; I know also that an experiment was made in the Island of Java in my own time, on a very extensive scale, for the cultivation of cotton from the Bourbon seed in the interior, and that also failed.

4772. By whom were the experiments made?—The experiment at Benares was stated to me on the authority of Mr. Henry Colebrook, with whom I conversed on the subject a few days ago. I think Mr. Colebrook was in the civil charge of the district at the time. The experiment was made by a foreigner, a

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4473. In both those cases European capital and skill were employed, but the experiment failed?—Yes; but improperly employed; for they attempted the cultivation of Bourbon cotton in a situation where it could never succeed. Benares is four or five hundred miles from the sea. The place in the island of Java where it was tried was also at a distance from the sea.

4474. The same want of success has attended the effort to cultivate coffee in Bengal, has it not?—I have always thought that it would fail. I have known coffee cultivated, but in very different circumstances. I always expected that the experiment in Bengal would fail; and I think it highly probable that it has failed, though I am not aware it actually has.

4775. You were in Java at the time it was taken possession of by the English, were you not?—Yes, I was.

4776. Was there any change made in the regulations respecting the cultivation of cotton, or the employment of capital consequent on the cultivation?—I think no change that had cotton particularly for its object.

4777. Was European capital more employed in the cultivation of cotton subsequently to the British occupation of Java, than it had been before?—I think the regulations were pretty nearly the same. The Dutch have always permitted European capital and skill to be employed.

4778. Did the Dutch permit a permanent acquisition of property by Europeans?—Always. There were large Dutch proprietors when we took possession of the island, and there are at this moment large Dutch proprietors.

4779. The European proprietors were permitted to conduct the cultivation of cotton on the same terms under the English government as under the Dutch?—Yes.

4780. Did much European capital find its way to Java during our possession of it?—There were large purchases of land during our occupation.

4781. Did any improved cultivation of soil, in consequence of those purchases and that increased application of capital, take place?—No; I think the capital was applied to other employments, particularly the culture of coffee.

4782. Have you collected information of the circumstances which attended the introduction of the fine varieties of cotton into America?—I have seen what I consider an authentic letter from one of the earliest planters of cotton upon this subject, giving an account of the introduction of cotton into that country,

by which it appears the Sea Island Cotton was brought from the Bahama Islands in the year 1796, and that the first parcel of cotton was exported in 1791; it amounted to 19,200 lbs.; and I find from the American Returns of Exports and Imports for the year 1827, that the total exports of that year amount to 294,310,115 lbs. weight, and to the value of 29,359,545 dollars.

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4783. Can you state the relative prices of Indian and other cottons?—This paper is taken from the most recent Liverpool Price Current I have seen. There are twelve descriptions of cotton mentioned in it, and the prices are the result of actual sales.

1.	Sea Island	$13\frac{1}{4}$*d.* to 16*d.*
2.	Egyptian	8*d.* to 9*d.*
3.	Pernambuco	$7\frac{3}{4}$*d.* to $8\frac{1}{2}$*d.*
4.	New Orleans	$6\frac{3}{8}$*d.* to $8\frac{1}{2}$*d.*
5.	Maranham	$7\frac{1}{2}$*d.* to $7\frac{7}{8}$*d.*
6.	Bahia	$7\frac{1}{2}$*d.* to $7\frac{3}{4}$*d.*
7.	Upland	$6\frac{1}{4}$*d.* to $7\frac{1}{8}$*d.*
8.	Barbadoes	7*d.*
9.	Tennesse	$6\frac{1}{4}$*d.* to 7*d.*
10.	Carthagena	$5\frac{3}{4}$*d.*
11.	Surat	$4\frac{3}{8}$*d.* to $5\frac{1}{8}$*d.*
12.	Bengal	$4\frac{7}{8}$*d.*

I have seen some cotton lately brought from New South Wales that is valued at $10\frac{1}{2}$*d.* per pound, and ranks higher than any cotton in the Liverpool statement, except Sea Island. I have also seen a sample of cotton from Sea Island seed, grown on the island of Saugor, at the mouth of Hoogley river, that is valued at 8*d.* per lb.

4784. Is the Sea Island cotton in the island of Saugor succeeding?—I refer to a small sample. The price was put upon it by a merchant of Manchester.

4785. Do you know any thing of the circumstances under which that experiment was undertaken?—I do not.

4786. What are the principal defects of the Indian cotton which makes its price so low?—It is very short in the staple; so much so as to require peculiar machinery, and it is of a coarse quality, and extremely dirty. I believe that some of the best Surat cotton is nearly as good in point of quality as that commonly called Georgia Bowed or Georgia Upland.

4787. What is the price of that?—I think the Georgia Bowed cotton is about forty per cent. better than Surat cotton; it is better grown, and cleaner. The difference, I believe, is chiefly in the mode of cleaning, and in the mode of separating

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the wool from the seed; but of this I am not quite certain. With respect to the difference of price there is no doubt.

4788. As far as that difference of price is created by the imperfect mode of cleaning practised at Surat, may not that imperfection be obviated by the more extended use of the new machinery which has been sent out by the Company within the last year?—I have not the least hope of any success from that experiment.

4789. Will you state why?—Because the East-India Company has been trying similar experiments without success during nearly half a century back; I may say, for thirty years, according to their own account, which is before me. The Indian cotton is notwithstanding just the same that it was in the year 1790, when it was first imported into England. There has been great encouragement given by increasing the exports from India since the year 1814, but it is not only not improved, but alleged to have become even worse.

4790. Are you of opinion that no export of machinery by the East-India Company can improve the cleaning of the cotton?—Small quantities of it may no doubt be cleaned by the East-India Company, and may be brought to this country, and prove perfectly satisfactory as far as a limited experiment goes; but as far as respects the great manufacturing interest of this country I conceive there can be no hope of it.

4791. From what circumstances do you deduce that total absence of hope, that machinery in India will produce the same effects that it has in every other case?—From the total absence of success on the part of the East-India Company in all their former schemes.

4792. Then you despair of success, not because the machine cannot clean cotton better than it is cleaned now, but because it is sent out by the East-India Company?—I conceive that it is not of the slightest consequence by whom the machine is sent out; I do not conceive that can have the slightest reference to the question.

4793. Are you not of opinion that machinery in India will produce the effect it produces elsewhere?—I am of opinion that when skill and capital are invested in the soil of India and in the industry of India, machinery, and whatever else is necessary to success, will be applied naturally and necessarily; and I am distinctly of opinion that the interference of the government of India in that matter can be of no benefit whatsoever; and that all that is required of a government is to afford protection to persons and to property.

4794. Have you ever seen any machines used in cleaning cotton?—I have seen the machines used in India often.

4795. Have you ever seen any of the hand machines used in America?—I have never seen any of the machines in use in America.

4796. Are you aware whether the machine is of a costly nature?—I am not.

4797. Are you aware whether it requires any skill in turning it?—I understand it does not.

4798. Then if it requires neither costly expenditure in purchasing it, nor skill in using it, why should it not effect its object in India as it has in America?—The Americans export large quantities of cotton, and they furnished the manufacturers of this country with a great deal of cotton before the invention of the principal machine now hinted at. The East-India Company, I find by a paper before your Lordships, had sent out similar machinery to that used by the Americans, long ago, to India, but the sending out of that machinery was attended with no advantage whatever; I do not therefore look for any advantage from the improved machinery.

4799. May it not be inferred from that answer, that you attribute the failure of success, in consequence of sending out machinery before, to the circumstance of its being sent out by the East-India Company, not to any defect in the machinery itself, or to any circumstances in the state and condition of the people?—I beg to say, that I ascribe nothing whatever to the circumstance of the machinery being sent out by the East-India Company; it is a matter of no consequence by whom it is sent out; the machinery is sent out to a people who have not skill or capital to apply it.

4800. Has it not been admitted that this machinery requires the exercise of no skill; if that be the case, why should not it succeed?—I cannot see that it has been admitted that it requires no skill; seeing that this machinery has been invented and is used by one of the most civilized and one of the most enterprizing people in the world, the Americans.

4801. Must skill be requisite for the use of machinery because that machinery happens to be in the possession of a civilized people?—I think so, decidedly; I think your lordships would not propose to send a spinning machine into the wildest parts of Scotland or Ireland, and expect it should be used there to advantage.

4802. Is there any comparison whatever between a spinning machine and a simple machine for separating the seeds from the cotton; is it not turned by the hand?—Yes; but it is very different from that used by the Hindoos.

4803. Have you seen the machine to which the question refers?—I have seen drawings of it only

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4804. Supposing the machine to be there, is capital required in the use of it?—Yes, certainly.

4805. Will you explain how?—There must be a quantity of cotton produced. There must be considerable capital invested in the production of cotton, to make it worth while to use it.

4806. Is not the machinery used to supplant labour, and is it not used only because it enables you to perform the same operation more cheaply than by manual labour?—I suppose so.

4807. Does not that machine supplant the manual labour of Hindoos?—Yes, I suppose so, if they use it; but the East-India Company have sent out improved machines on former occasions, which the Hindoos never made use of.

4808. Do you know any thing of the cultivation of tobacco in India?—I have seen it cultivated there.

4809. Is that inferior to the American tobacco?—Yes, very inferior.

4810. In what degree?—I think it is not worth above one-third part of the price of the American tobacco.

4811. Have you been able to satisfy yourself as to the cause of its inferiority?—I think it may be generally ascribed to the want of skill on the part of the grower and the preparer; what has been brought to this country has been in a very unmarketable state.

4812. In what part of the process do you conceive the want of skill may be traced, either in growing or preparing?—I think the principal want of skill is perhaps in the preparation of it. I know that other Asiatic people have cultivated very good tobacco; I have seen excellent tobacco grown by the Chinese.

4813. European skill and capital, therefore, are not required for the cultivation of good tobacco?—Chinese skill and capital resemble very much European skill and capital; I take European skill and capital, however, to be as much superior to Chinese skill and capital as Chinese skill and capital are superior to Hindoo skill and capital.

4814. Have you ever known any samples of Indian tobacco prepared by Europeans and Indians of real skill?—Never.

4815. Is it not purchased by European mercantile houses, and prepared by them?—Never prepared by them; it is an article very rarely dealt in at all.

4816. Is not the reason of that, that in reality it is a very inferior article to the American tobacco; entirely inferior?—It is inferior to any tobacco I know in any part of the world; it is inferior to the tobacco grown in Manilla, in Java, in China, in Persia, and even in the Burman empire; there are very good specimens of tobacco in the Burman empire.

4817. Did you perceive any great difference in the mode of

cultivating tobacco in the Burman empire and in those parts of India where it is so inferior?—I think I may generally say I saw it grown with more skill and care; that more attention was paid to its cultivation. 4 June 1830. — *John Crawfurd, Esq.*

4818. Describe the manner in which that care and attention were applied to the cultivation of tobacco?—In attention to the selection of the seed, in attention to soil, to weeding, to the mode of reaping the crop, and to the mode of preparing the drug after the crop is obtained, and the mode of packing it.

4819. In all those particulars to which you have referred, did you perceive an inferiority of management in India?—In reference to the cultivation I am best acquainted with, that of the Chinese in the island of Java, a most decided inferiority; but it is impossible to see the habits of the two people, the Hindoos and the Chinese, and to see the mode in which they carry on agriculture or any other species of industry, without being forcibly struck with the superiority of the one race over the other.

4820. How do you rate the Javanese with the Hindoos?—I think the lower classes of Javanese are rather superior to the lower classes of the Hindoos; but the upper classes of Hindoos greatly superior to the upper classes of the Javanese.

4821. Assuming the qualities to be good, could tobacco be produced more cheaply in India than it is in America?—I should think not; but the climates of the two countries would produce different qualities of tobacco. The people of the United States could not grow the same qualities of tobacco which might be grown in India, nor could those of India grow the same qualities of tobacco as are grown in America.

4822. Is not the price of labour much cheaper in India?—Yes; but the land is not so cheap, because it is more occupied, and then the skill is all on the side of America.

4823. You think that, under no circumstances, the Indian tobacco can come into competition with the American?—I think, perhaps, not generally in competition with all American tobaccos, but that it might be extensively consumed in this country for particular purposes.

4824. Would you give the same answer upon the subject of the East-India sugar as you have in respect of cotton and tobacco?—That is a still stronger case.

4825. In what respects?—The making of sugar is more in the nature of a manufacture, and requires a greater degree of capital and a greater degree of skill.

4826. Are you acquainted with the cultivation of indigo in India?—I have seen it cultivated.

4827. Has it been much improved of late?—I understand

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from those who have been engaged in it, there has been an improvement.

4828. To what do you attribute that improvement?—To a free application of European skill and capital, and to that only.

4829. You conceive the same results would take place in the cultivation of other articles, to which you have been examined, by the same means?—Yes, more or less.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 8° *Junii* 1830.

The LORD PRESIDENT in the Chair.

FRANCIS HASTINGS TOONE, Esq. is called in, and examined as follows:

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4830. HAVE you been in China?—I have been.

4831. What situation did you hold in China?—I was a civil servant in the Company's service in China.

4832. In what year did you go out to China?—In 1805.

4833. When did you leave China?—The last time, I left it at the end of 1826.

4834. Had you been absent, during that period, for any length of time?—Yes; I was twice absent during that time, I returned twice to Europe; once I was absent for three years, and another time for two.

4835. Your knowledge of China extends over a period of nearly twenty years?—Yes.

4836. What situation did you hold when you left China?—I was second member of the Select Committee.

4837. In what manner are the servants of the Company in China remunerated?—By a commission upon the sale of goods on the part of the East-India Company.

4838. What is the amount of your commission?—It is two per cent., subject to certain deductions, which make it less than two per cent.

4839. On the sale of what goods is that commission granted?—On the sale of all goods exported to China on account of the East-India Company, from England or from India, with the exception of bullion; and on all goods sent to London on the same account; also upon the teas by the East-India Company, for sale in Halifax and Quebec.

4840. Is that calculated on the sale price of those sold in London?—I understand that it is upon the net sale price.

4841. Is it calculated upon the sale price of the goods imported into China, or upon their invoice price?—I understand, upon the invoice price.

4842. The calculation, however, is made in England, is it?—It is.

4843. What other charges, in addition to those included in the two per cent. commission, are paid by the Company, for the management of their China trade, in China?—They pay the salaries of two tea inspectors, two surgeons, and an interpre-

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ter; there is also an allowance to the Commodore of the Indiamen, and a retiring pension paid to a former tea inspector, and the salaries of all the European servants connected with the factory—those are deductions from the two per cent.

4844. In addition to the two per cent., there are the charges of the rents of houses occupied by the factors?—Yes; the expenses of the table, and the rent of the factories, at Canton and Macao; those are the principal items. The removal of the factory to and from Macao forms another item.

4845. What additional per-centage upon the two per cent. commission do you apprehend all those charges to amount to? —I understand from the officers of the India House, that three per cent. covers the whole expense of the factory of every description.

4846. What is the amount of commission paid by private traders at the port of Canton to the agents who conduct their business?—From three to five per cent.; I have never known less than three; and I have generally understood that five per cent. has been charged by private agents.

4847. The trade of the Company at Canton then is conducted on a more economical footing, as regards the allowances of the servants and the commission paid by them, than the trade of individuals?—I believe it is, as far as I know it is.

4848. Do you apprehend that the trade of the Company at Canton could be conducted by fewer persons than are now employed?—I think it might be conducted by fewer leading persons, with clerks to execute their orders.

4849. In your opinion, is a long residence in China necessary to qualify a person to conduct trade with the Chinese?—I should say that a residence of three years in the country would qualify a man who was actively employed in commercial business during that period, to conduct commercial transactions with the Chinese.

4850. Is a knowledge of the Chinese language necessary?—It is useful, but not absolutely necessary; it is highly useful, no doubt; but not one of the private merchants resident in China has any knowledge of it.

4851. And they get on perfectly well without it?—They do so.

4852. What reduction, in your opinion, could be made in the charges of the factory at Canton, without diminishing its efficiency?—It would require four or five leading persons to conduct the business of the factory, and perhaps as many more to meet the contingencies of ill health, which might oblige them to return occasionally to Europe. I should say that with less than ten it could not be efficiently conducted, and that exclusive of mere clerks.

4853. The present number is twenty, is it not?—It is. 8 June 1830.

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4854. In proportion as the capital of a merchant or mercantile body is large, the charge of conducting that trade is proportionably small, is it not?—Certainly.

4855. In what manner do you purchase the teas for the Company's investment?—We usually contract for the teas in the spring of the year, to be delivered in the following autumn and winter, and to be then shipped for Europe in that time.

4856. Do you purchase any teas not on contract?—Yes; to fill up the deficiencies which occur in the fulfilment of those contracts. The same body of merchants, namely, the Hong merchants, supply those teas as supply the teas to be received as contract teas.

4857. You make it a practice to reject all teas which do not come up to your standard?—Yes.

4858. Are those deficiencies in the merchants with whom you have contracted considerable?—With the younger and poorer merchants it often occurs; but not with the richer and senior merchants.

4859. Has the quantity of tea deficient in any year been considerable?—I think it has. There are five or six junior merchants in China, each of whom have occasionally failed to deliver a quantity of tea of proper quality, equal to the amount contracted for.

4860. Can you state the amount of the deficiency which has occurred at any time?—I cannot, at this moment.

4861. When you have been obliged to buy teas not on contract, have you found any difficulty in procuring them?—The black teas are placed almost entirely at our option; and we have found no difficulty in procuring a sufficient quantity to complete the cargoes of the ships consigned to us, although we have often been obliged to supply deficiencies in the delivery of contract teas by purchasing teas of lower qualities than we could have wished. With regard to the green teas, we have had to meet the competition of the Americans; and then we were unable occasionally to purchase the teas we wished, they giving higher prices for them than we deemed it advisable to do.

4862. Do you find that the teas you purchase in the open market have been dearer than those you purchased by contract?—They have been so sometimes in regard to green teas; but we generally purchase by the same scale of appreciation as is adopted for the regulation of the contracts.

4863. And with the same persons?—Yes; and we never purchase any teas except of the Hong merchants.

4864. Does the contract price vary from year to year?—With regard to the bulk of teas, it does not; as regard some

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classes of the green teas and souchong, it does. We vary the prices of them a little, to endeavour to get a supply more suited to the demand, and also to meet the competition of the Americans.

4865. Have you increased the price of green teas?—Yes, occasionally; when we had to contend with an active competition.

4866. Has the price of black tea diminished?—A diminution took place in the year 1825, of one tale per pecul on the principal contract—black teas; namely, on the congou teas.

4867. What was the whole number of tales per pecul you had paid for the black tea previous to the reduction?—It was divided into four classes, at 26, 27, 28, and 29 tales per pecul respectively, and we reduced each of those classes one tale.

4868. How is that contract price fixed?—Those prices have been fixed for a long series of years past; why they were so originally fixed I am not able to say; those prices were established when I went to China, more than twenty years ago.

4869. When the Hong merchants have contracted with the Company for a certain supply of tea, what do they do for the purpose of procuring that tea?—They make other contracts with native dealers to bring down the tea, and make them advances generally to the amount of about one-third of the value of this tea.

4870. How long previous to the delivery of the tea is that advance made?—About six months.

4871. What is the usual interest of money at Canton?—Between the Hong merchant and the merchant of the interior, from one to one and a quarter per cent. per month.

4872. Have you ascertained at what price the country merchants deliver the tea to the Hong merchants?—With regard to the congou, which forms the largest class of teas, about seventeen tales and a half per pecul are paid by the Hong merchants for tea of average contract quality.

4873. What charges, in addition to that price of seventeen tales and a half per pecul, are made upon the tea before it gets into the hands of the Hong merchants?—The Hong merchants estimate that three tales per pecul are necessary to cover the charges upon tea payable by them.

4874. That tea is delivered to the Company at a price varying from 25 to 29 tales per pecul?—Yes. The terms of the contracts for tea, made between the Hong and tea merchants, vary slightly from year to year; but the general practice is in accordance with the following statement. An average price is fixed, say at the rate of 17½ tales per pecul, with an agreement that for such parcels of the tea as may be received by the Company at 28 tales per pecul an augmentation of one tale shall be made to the tea merchant; and for such parcels as shall be

received by the Company at the price of 25 tales only, a diminution of half a tale shall be allowed. The prices of 17*t.*, 17*t.* 5*m.*, and 18*t.* 5*m.* per pecul, between the Hong and tea merchants, correspond usually with those of 25, 26, and 28 tales per pecul between the Hong merchants and the Company. 8 June 1830.

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4875. The profit, therefore, to the Hong merchant, on each delivery of teas, appears to be about twenty-five per cent., after deducting the interest on the advance made to the country dealer?—It is about five-and-twenty per cent., without taking the interest into consideration; no interest on the money paid in advance by the Hong merchant is charged to the country dealers; that is, the tea merchants.

4876. When a contract is made, or any engagement made, with an outside trader, are the teas delivered by him still delivered through a Hong merchant?—Always.

4877. Have you ascertained what commission the Hong merchant takes upon that delivery?—I am not able to say, but I understand it is moderate.

4878. The Hong merchants may therefore be considered in the light of brokers, taking a commission upon the sale of all the teas, and the transaction of all mercantile business at the port of Canton?—In regard to the sale of teas, they act chiefly as brokers. Some of the principal merchants speculate on their own account; they send a servant to the tea country with money to purchase teas on their own account, but the poorer merchants act almost entirely as brokers.

4879. In consideration of the profits they derive from that brokerage, they make certain payments to the government?—Yes.

4880. In what manner do the Americans and other nations conduct their trade at the port of Canton?—They deal very much with what are called the outside merchants; that is, with shopkeepers; but the goods bought of those persons must all pass through the hands of some of the Hong merchants.

4881. Do those outside merchants deliver teas of as good quality as the Hong merchants?—I have understood that their teas are certainly not so good as the best of those furnished by the senior merchants.

4882. They again contract with country merchants for the delivery of those teas?—Yes, they do.

4883. In what manner do the officers of the Company's ships conduct their trade?—Chiefly with the outside merchants.

4884. The factory of the Company do not interfere in the management of that trade?—Not in the slightest degree.

4885. Is it understood that they purchase teas of as good a quality and at as low a price as the Company?—I have understood from several of the commanders themselves, that they do not get teas on such good terms as the Company do.

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4886. Do you apprehend that the Americans get their teas on as good terms as the Company?—I apprehend not, on an average of years.

4887. In what different modes does the Factory of Canton provide funds for the Company's investment?—The deficit beyond the produce of the goods imported from London and India is supplied by drawing bills upon the government of Bengal or the Court of Directors.

4888. Those bills upon the government of Bengal are drawn to a great extent every year, are they not?—Yes, they are; to the extent of a million and a half or two millions of dollars; sometimes exceeding that.

4889. How are the funds provided in China which are given to the Factory for the bills they give upon the government of India?—They are the proceeds of the opium chiefly, and the exports from India generally.

4890. In what manner are the funds placed in China which are received by the Factory for the bills given on the Court of Directors?—They are also in a great degree the produce of the Indian trade; those bills being used for the remittance of funds from China to India.

4891. Are the Americans in the habit of purchasing Company's bills on the Court of Directors?—No, not generally. The Americans have occasionally obtained their goods by the sale of bills on London themselves; they then come provided with letters of credit on commercial houses in London.

4892. In what manner are the sales of British manufacture conducted at Canton; in what manner is that price fixed?—The Company's servants send for the Hong merchants, and, shewing them the samples, allow them a time to make their offers; the goods are then sold, either by division amongst the whole body of Hong merchants in shares, or they are sold to the best bidder. The cotton from India is generally sold to the best bidder.

4893. Do you mean that the cotton is generally sold to the best bidder among the Hong merchants?—Yes. The woollens are divided among the merchants according to the shares of tea we have received from them.

4894. The two transactions, however, are kept distinct?—Quite distinct. The system of barter is never resorted to in the Company's service.

4895. In what manner do you convert the invoice price of the exports from England into Chinese currency?—At the rate of 6*s.* 8*d.* per tale weight of dollar silver.

4896. Is the tale really worth 6*s.* 8*d.* English currency?—The intrinsic value of the tale, at the mint price of 5*s.* 2*d.* per ounce of standard silver, would be about 6*s.*

4897. Therefore, when goods which in England have cost 20*s.*

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are transferred to the Company's books in China, they appear as having cost three tales?—Yes, they do.

4898. The real cost in silver having been 18s., and not £1?—An invoice amount of £1 sterling is carried to account in our books at three tales; whereas, at the intrinsic value of the tale, that amount would be converted into three tales and about a third.

4899. What is the proportional value of the dollar and the tale?—In our books we carry them to account at the rate of seventy-two tales for a hundred dollars; one hundred dollars should weigh seventy-two tales. Dollars are always received by weight in China, and not by number.

4900. When you draw bills on India, do you draw at a fixed rate of exchange, or the mercantile rate of exchange of the day?—At the mercantile rate of the day.

4901. And the same when you draw on the Court of Directors?—Always.

4902. Then, as regards those sums, which amount to a very large portion of the sums with which you purchase the Company's investment at Canton, you obtain those funds as cheaply as any Indian merchant could obtain them?—Assuredly; and generally at a cheaper rate, in consideration of the superior security of the Company's bills. On Bengal we generally draw at the exchange of about 202 rupees for 100 dollars; whereas the intrinsic par rate would be 210 rupees per 100 dollars.

4903. How does the government of India calculate the invoice price of the goods which are sent to China?—They are stated in rupees; all their invoices are stated in rupees.

4904. How are those rupees converted into tales?—We convert them into dollars at their intrinsic value; then turn the dollars into tales at the rate of 72 tales for 100 dollars. The rate of exchange for the rupees of the different presidencies with dollars has been fixed by the Court of Directors on the basis of the intrinsic value of the coins respectively.

4905. Is the cotton so purchased in India, and paid for in dollars at the intrinsic value, obtained by the Canton treasury on more favourable terms than such cotton would be obtained by private merchants?—I presume that it is; but I am not able to state how the Bengal government purchase the cotton.

4906. Does the investment of cotton produce a profit in China?—Generally a considerable profit; there are occasions on which there has been a loss; but in general it has been a capital trade to the Company.

4907. Is much cotton sent from India by the country trade?—A good deal.

4908. It is cotton wool which is sent?—Yes.

4909. The exports from this country, of British manufactures, to Canton, has not been upon the whole profitable, has it?—

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There has been a loss upon the whole annual export I believe upon every occasion; it is now reduced, I think, to about £17,000 a year; the average loss upon the whole consignments of British manufactures formerly was much more.

4910. In what manner do you calculate that loss?—The account of every commodity imported is drawn up according to the practice of private merchants, as a debtor and creditor account, in the form of an account sale.

4911. Do you consider that there was a loss when those manufactures sold in China produced less bullion there than was paid for them in England?—I suppose there would be a loss in such a case.

4912. Is that the mode in which you calculate the loss?—We calculate according to the exchange I have mentioned, of 6*s*. 8*d*., upon that the profit and loss is calculated.

4913. Would not that mode of calculation produce an appearance of profit where there was actual loss, the tale being in reality 8*d*. less in value than it is calculated at in the Company's books?—So it would appear, I think According to that mode, the exports have been charged at less than the real cost; £1 sterling is charged at three tales instead of at three tales and a fraction; so that the debtor's side of the account in the China books is less than it would be if the principle of exchange were the intrinsic par.

4914. Then when those manufactures are sold they are sold for tales, which are likewise calculated in the books as being of more value than they really are?—Yes.

4915. So that in reality the loss is greater than it appears to be on the face of the account?—Without some consideration, I could not well answer that question.

4916. Has the price of British manufactures much diminished of late years in China?—The prices at which we sell them to the Chinese has been lowered.

4917. It has not, however, fallen so much as the invoice price of those manufactures in England?—Not so much.

4918. Has the sale of those manufactures been increased in China in proportion to the diminution of that price?—I do not think it has. With regard to the article of long ells, the quantity exported to China has diminished.

4919. The demand, therefore, of the Chinese does not appear to have increased in proportion to the diminution of price?—No, it has not.

4920. Do the merchants who purchase your manufactures find a difficulty in disposing of them?—They state a very great difficulty in selling many sorts of them. We have found it imprac-

ticable to obtain a remunerating price for the long ells consigned to us. With regard to the article of broad cloth, the Company export only that quantity which can be sold at a price which covers the cost and charges; and with regard to the third branch of our woollen exports to China, namely, the camlets, they have not been of late years a gainful article to the Company.

4921. Have you yourself seen large quantities of British manufactures which appeared to be unsold in the warehouses of the Hong merchants?—Yes, I have; in the warehouse of the senior merchant Howqua, who from his wealth has been the largest purchaser of them.

4922. Do you understand that the Americans have derived much profit from the sale of British manufactures?—I did not understand so when I was in China. I have seen it stated since my return to England that they had sold them profitably.

4923. Have you ever been enabled to compare the quality of the manufactures they sell with the quality of the manufactures sold by the Company?—No, I have not.

4924. Does it appear to you that woollens have come more into use amongst the Chinese than they were formerly?—There is no reason whatever to suppose that; I should rather think the reverse.

4925. Have any efforts been made to extend the sale of the cotton manufactures of this country?—Several; there have been large importations on private accounts for several years past; the East-India Company have also from time to time exported cotton manufactures, but the out-turn has never covered the cost and charges.

4926. That has been less profitable than the export of woollens?—It has been so.

4927. The Chinese have a very good cotton manufacture of their own, have they not?—An excellent one; the people are chiefly clothed in cotton.

4928. Is it as cheap as the cotton of this country?—Taking into consideration its superiority of quality, in Chinese cotton cloth, it is considered by themselves as cheaper; it wears better.

4929. Do you apprehend that if the cotton manufactures of this country could be furnished at a cheaper rate than their own, and of equal goodness, there is any prejudice on their part which would prevent their purchasing them?—No prejudice, further than that I think the government would endeavour to protect their own manufactures, if the export of cotton from this country were carried to a very great extent.

4930. The Americans have not increased to any great extent their exports to China of manufactures, for the purpose of purchasing their teas, have they?—The export of manufactures to

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China on the part of the Americans commenced very recently; I think in the year 1819 or 1820; previously to that their exports were almost wholly in dollars.

4931. A very large proportion of their exports is still in dollars, is it not?—I understand so, from the United States; though I have been informed otherwise since I arrived in Europe.

4932. They also give bills?—Yes; they occasionally draw bills on houses in London to a certain extent.

4933. Do you apprehend that you can, without affecting the exchange to a considerable extent, raise a larger sum in China by bills on the Court of Directors than has been raised?—At the present time, I imagine a very large sum could be raised by bills upon the Court of Directors, because there is a great demand for such bills in India.

4934. It appears that in one year a sum of £500,000, or nearly £600,000, was drawn on the Court of Directors; do you recollect the circumstances under which that was drawn?—I have not an accurate recollection, but I think the government of Bengal authorized us to do it rather than draw on Bengal.

4935. Do you recollect whether the drawing so large a sum affected the exchange?—I think the exchange was at that time 4*s.* 6*d.* or 4*s.* 4*d.* the dollar, which, as compared with the exchange now at 4*s.*, was high.

4936. You never found any difficulty in obtaining money for bills on the Supreme Government?—No; not when we gave an adequate exchange. We have endeavoured sometimes to lower the exchange too much, and in that case we failed. The merchants preferred sending their bullion to India to taking our bills.

4937. Do the merchants receive to any great extent bullion for the opium and cotton they export to China?—It is understood that the opium is almost wholly paid for in bullion, being a clandestine trade; and in fact any other payment would be useless to the sellers of opium; they could not take goods; there is no vend for them.

4938. In whose hands is the country trade to China?—Chiefly in the hands of the mercantile houses of Bombay and Calcutta; large mercantile houses.

4939. Chiefly British houses?—Almost entirely British houses.

4940. Not with Madras?—There is a very small trade with Madras; there passes only one private ship, I think, annually between Madras and China.

4941. Is any quantity of British manufactures sent to China by means of the country trade?—Latterly a great deal of cotton manufactured goods has been brought to China by country ships, which cotton goods had been unsaleable in the Straits of Malacca.

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4942. Have those cotton manufactures found a ready sale in China?—I understand by no means a ready sale.

4943. Have any woollens been sent by the country trade?—I cannot charge my memory with recollecting any woollens being sent to China of late years; some years since I recollect a quantity being sent from Bombay, which were not allowed to be landed.

4944. Is there at present any impediment thrown by the government of India, or the Factory in China, in the way of sending British manufactures through the country trade to Canton?—I should rather think not; but I am not quite certain on that point.

4945. There was at a former period?—Yes; the officers of the Company's ships were prohibited from exporting woollen goods to China, but within the last five years the Court of Directors have allowed them to enter into that trade freely; I should therefore imagine there is no prohibition whatever on that trade now.

4946. Is the country trade a direct trade to China, or does it pass through the Eastern Islands?—A direct trade.

4947. Then is Sincapore a dépôt for the produce of the Eastern Islands?—Yes; country ships come partly laden with cotton, and they fill up with the produce of the Eastern Islands —with rattans and such small articles.

4948. What are the principal articles, in addition to the dollars, received in exchange for the opium, which the country trade carries back to India?—Tea, sugar, silk, drugs of various kinds: the annual statements of the trade which are sent home to the India House will shew that accurately.

4949. By far the largest portion of those returns are made in dollars, are they not?—At Bombay there is a larger demand for Chinese produce than on the other side of India; there is always, in addition to the returns made by the Company's bills, a large annual export of silver to Calcutta and to Bombay.

4950. Do the officers of the Company's ships purchase any other articles than teas?—Drugs, raw silk, and nankeens are the principal articles.

4951. Do they purchase nankeens to any extent?—I believe within the last three or four years they have not; previously to that they did.

4952. The Americans have given up, to a great extent, the purchase of any articles but teas, have they not?—So I understand. As regards silk manufactured goods, I have heard American agents state that they could be better supplied from England than from China; and that they expected, in a very short time, the English silk manufactures would entirely supplant those of China in the market of the United States.

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4953. When you extended the demand for black tea, did you find any difficulty in obtaining it?—We extended the demand for black tea very gradually, and have never found any difficulty in getting a sufficiency.

4954. Is there any difficulty in obtaining an increased supply of green tea?—We have never been able to get as much green tea as the indents from London required, notwithstanding the prices which we gave.

4955. Is it understood that it requires a peculiarity of soil and climate for the production of it?—I have understood that tea of one kind or other is grown over a very large part of China, but that tea which suits the quality of our market is grown in only a few provinces; the black tea in the province of Fokien, and the green in those of Che-Kiang, Kiang-nan, and Kiang-Si.

4956. Is it understood that the Russians are supplied with tea from a totally different part of the country, and with tea of a totally different description?—They are supplied from the black tea country with that species of tea called pekoe; the same species is brought to London; it is the most expensive kind of black tea which is made, and with us is only used to intermix with other teas.

4957. Is it understood that the woollens are sent to every part of China?—So it is said.

4958. Are they subject to heavy duties of transit?—There is a considerable transit duty on the frontier of every province, to which they are subjected.

4959. Do you happen to know the additional price placed on those woollens by the time they arrive at Pekin?—I have not a memorandum of that.

4960. Do the woollens of England appear to be in use in Pekin?—When we were at Pekin the weather was exceedingly hot, when woollens were not used at all; it was in the height of summer.

4961. Did you understand that they were in use?—I think it was said not extensively.

4962. Did you understand that the manufactures of Russia were in use at Pekin?—I did not hear any thing respecting the Russian manufactures when we were there.

4963. Did you see any articles of Russian manufacture?—None.

4964. In what way are the officers of the Company's ships remunerated?—They have a small monthly pay, but their chief emolument arises from the shares of tonnage; about a hundred and three tons per ship are allotted to the commander and officers in the outward voyage from England to China and back again; in the voyages between India and China, two-fifths of the

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whole tonnage of the ship are allotted to the commander and officers.

4965. And the hundred and three tons between them in coming home?—Yes; between the captain and officers out and home.

4966. The teas purchased, and all the articles purchased by the Company's officers at Canton, are sold by the Company at their sales in London, are they not?—Yes; they are all taken into the Company's warehouses, and sold at the Company's sales.

4967. What duty do the officers pay to the Company upon that sale?—Upon tea, a duty of twenty-five per cent. is payable to the Company.

4968. In addition to the government duty?—Yes.

4969. That duty, therefore, is to a certain extent a compensation to the Company for the loss of the tonnage allowed to officers?—Certainly.

4970. Is it understood that the officers make profitable purchases of tea, notwithstanding the payment of the twenty-five per cent. duty?—I understand that very few officers in the direct trade between England and China derive much profit from it.

4971. Do they derive profit from the circuitous voyage?—Those voyages are occasionally very profitable. The commanders speculate in cotton; sometimes they gain; sometimes they lose; but upon the whole it is considered as a very gainful voyage.

4972. In what manner do they realize their fund in China for the purchase of tea in the direct voyages?—They have all small adventures outward bound; articles of small amount; in addition to that, I believe, they draw bills on England.

4973. Their situations are understood to be very valuable, are not they?—I do not consider the situation of a captain in the direct trade between England and China to be at all valuable; but it is believed that the circuitous voyages are profitable; considerable sums are paid to obtain the command of a ship, as has been supposed.

4974. In general, it is considered that they are much more highly remunerated than the commanders and officers of other trading ships, is it not?—As compared with the commanders of the ships which the Company hire for the conveyance of tea to Canada, they certainly are. I am not well acquainted with the remuneration given to the commanders of merchant ships generally in the other services.

4975. As far as your experience goes, do you apprehend that the Company derive any advantage from carrying on their trade with Canton in large ships instead of ships of smaller tonnage?—In larger ships the teas are more quickly taken on

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board, more readily stowed, and less injury and less breakage arises. I have understood there is a very considerable difference found in London between those brought in large and in small ships; those brought in the large appear to be in the best condition.

4976. Do you apprehend that a vessel of twelve hundred tons has in that respect a decided advantage over a ship of six hundred tons?—I can speak only from hearsay; I cannot speak from my own knowledge.

4977. Have you ever heard the value of that advantage estimated?—No, I have not.

4978. In point of security, do you apprehend a ship of five or six hundred tons to be as safe as a larger ship?—I believe a seaman would consider her quite as safe.

4979. Did any collisions take place between English seamen and Chinese while you were there?—There have been three or four cases of homicide committed by English seamen on Chinese while I was there.

4980. What measures were the results of those homicides?—The Chinese immediately addressed the Select Committee, and desired they would find out the guilty persons and deliver them up to them. The Committee professed a perfect readiness to do so, and endeavoured to find out the guilty persons; but in no case were they successful in bringing the charge home to any particular person, therefore they refused to deliver up any person. Upon that the trade was suspended; and here ensued a long discussion, which generally lasted six weeks or two months, at the end of which time some compromise took place. The Chinese allowed the trade to be reopened, and forewent the demand for the person to be delivered up.

4981. Do you apprehend the power exercised over the trade in the Company's factories could be as well exercised by a King's consul?—I apprehend not; because the Factory derive great influence over merchants by means of the trade which is in their hands, and the merchants have it in their power to influence the officers of government by their representations and explanations.

4982. As regards the country trade, could not a King's consul possess the same powers as are now in the hands of the Company's factors, and exercise those powers with equal efficiency?—I apprehend that he might do so.

4983. If the interference of a King's consul only took place when it was decidedly for the interest of trade that it should be exerted, would not the whole commercial influence of the merchants at Canton go with the consul, and place him in the same position in which the Company's Factory now stand?—I doubt whether the British merchants could be persuaded to

suspend their private transactions for the sake of any general benefit; therefore I consider they would not act cordially with the consul in suspending the trade, in order to induce the Chinese government to come to any reasonable terms in cases of dispute. We have seen on a late occasion that the Americans rather gave up a man whom they knew to be innocent, than submit to a detention of their ships.

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4984. If power were given to a King's consul by law over British traders at the port of Canton, in what manner do you think the consul could be best enabled to exercise that power; would it not be necessary that the ship's papers should be deposited with him?—That I conceive would be the most effectual manner of giving him a control.

4985. Do you apprehend that smuggling could be carried on as well on the coasts of China as it is in the mouth of the harbour of Canton?—An experiment was made about four or five years ago; three or four small ships went with opium to the coast of China, and I understand their success in disposing of it was very small; so much so, as not to induce a repetition of the experiment. I know of no other attempt which has been made to force a trade on the coast of China.

4986. Is there considerable intercourse carried on between Manilla and Canton?—A good deal of intercourse in small vessels between Macao and Manilla.

4987. By whom are those small vessels navigated?—They sail under the Spanish and Portuguese flags; but it is understood that a great many of them are the property of Chinese resident in Macao or Manilla.

4988. What are the cargoes of those ships?—They import the produce of the Malay Archipelago—rattans, betel nuts, birds'-nests, black-wood, and the general produce of the Malay Archipelago.

4989. Is there any trade now between the north-west coast of America and China?—I think there is generally one American ship about every two years, which comes from the north-west coast of America to China.

4990. Do the Chinese carry on any considerable trade with Japan?—I understand they are allowed to trade only in one part of Japan; and that they are more restricted and watched than even the Dutch, who are allowed to trade to the port of Nangasacky.

4991. Are great facilities given to trade in the port of Canton?—I believe there are greater facilities there than in almost any port in the world.

4992. Can the Chinese talk English enough to make it easy for Europeans to deal with them?—The whole commerce of the port of Canton is carried on by means of broken English.

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4993. So that an Englishman arriving at that port would find less inconvenience than he would in a port of France or Italy?—I should conceive so.

4994. Do you apprehend that, as regards the purchases of all teas in China, the Company carry on their trade as advantageously as any private individuals?—I should say, certainly.

4995. That if an individual makes profit by his purchases of teas in China, the Company could do so without the advantage of any monopoly?—I see no reason why they should not.

4996. Their purchases in China being effected as cheaply as those of individuals?—Certainly.

4997. So that if any greater difficulties are thrown in the way of their conducting their trade, under present circumstances, than in the way of individuals in conducting that trade, they must arise from charges not connected with the original purchase of the teas; greater freight, or greater charges in this country, or other circumstances not connected with the original purchase of teas?—Yes; they certainly have every advantage in carrying on the trade which any individual could have.

4998. Do not their large capital and their long establishment in the country give them great facilities?—I think so.

4999. Would it not be difficult for any individuals to contend against them on equal terms?—I do not see why a mercantile house provided with adequate means should not enter into the trade on nearly the same terms.

5000. But their capital and their long connection with China would give the Company great advantages?—It would give them some advantages, no doubt.

5001. Have there been any improvements in the quality of the cotton which is imported into China from India?—The importations of cotton wool from India vary very much in quality; some are good, and some are very indifferent. The Chinese frequently complain of portions of the importations of cotton being discoloured and of bad quality. The very best cotton wool imported into China is brought by the Company. I do not however mean to say that the whole of the Company's cotton is superior to that imported by private merchants.

5002. Is no American cotton introduced into China?—I think an experiment was made with a few bales once, but that it was found not to answer. It is more expensive than the Indian cotton. The Chinese would not give a price equivalent to the difference of the invoice cost of Indian and American cotton.

5003. In the event of a reduction of the duties on tea in this country, and a greater demand arising in consequence, would there be any difficulty in obtaining a proportionate increase of quantity in China?—With regard to the green teas, we have

found that the quantity produced has very slowly increased, notwithstanding we have exerted ourselves much to have it increased. With regard to black tea, I imagine that the quantity might certainly be gradually increased. We have never yet been able to obtain a full supply of green teas of suitable quality.

5004. You were understood to say that in some teas you have had difficulty, in consequence of competition with the Americans?—Yes, in some species of the green teas.

5005. They offered higher prices?—They outbade us. A great part of our green teas we secured by previous contracts; those of course were delivered to us; but when we wanted others, and wished to purchase in the market teas brought down by individuals with whom we had not contracted, it has occurred that we could not deal with them, the Americans giving higher prices than we thought ourselves justified in giving.

5006. Are the cotton goods exported from this country by the Company of the same description as those worn by the mass of the population in China?—They are chiefly such as the Chinese use in their garments; longcloths they call them.

5007. They were calculated for the wear of the poorer classes of people?—Exactly so; similar to the Chinese, but finer in fabric.

5008. You state that the Chinese cottons are, taking quality for quality, cheaper than British cotton?—Their cotton manufactures they say themselves are cheaper; they wear so much longer. The prime cost is dearer.

5009. How do they spin their cotton; by hand or machinery?—By hand.

5010. Do you know any thing of the comparative prices of that cotton spun by hand, and cotton twist manufactured in this country?—I am not able to give that information. The exports of cotton twist took place after I left China.

5011. You do not know to what extent any attempt has been made to supply the cotton twist from hence?—No; I merely heard that such attempts had been made by the Company and by individuals, but I am not accurately informed. I think the last year there was a large shipment by the Company.

5012. Have you understood there was a ready sale for cotton twist?—I have heard that there was a prospect of its paying the cost and charges, and that in consequence the East-India Company were going to export some.

5013. Are the various sorts of tea, whether black or green, now imported into this country, the same as used to be imported formerly in the earliest stages of the trade?—Very much so. The tea upon the whole has been improved in quality by the

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attention which has been paid to it; for instance, that called bohea now is very superior to that which bore that name fifteen or sixteen years ago.

5014. But it is the same tea, only more carefully prepared?—Yes; it is the lowest kind of black tea, but it is more carefully assorted, so as to exclude the coarser leaves of the plant.

5015. It loses its flavour by being kept, does it not?—Green tea does lose its flavour, but black tea is said to keep for two or three years without injury, if kept in a dry place.

5016. When the Company contract for teas, do they require the teas of a certain season?—The leaves of which the contract teas are made are picked and manufactured between the months of May and August, and are shipped during the succeeding winter.

5017. At what time are they brought into the market here?—They remain, I believe, a year in the warehouses; there is always a year's stock in the warehouses on hand. They are nearly a year old by the time they arrive in England; then they remain another year in the warehouses.

5018. You stated that there were heavy transit duties on woollens in China; do you know how they are levied?—At custom-houses, which we saw as we passed through the country, between one province and another.

5019. How are the goods carried?—By the canals.

5020. Do you know to what extent the duties raise the price of the woollen goods before they reach the northern provinces of the country?—I cannot say.

5021. Are the duties evaded?—There is a great deal of smuggling carried on in China. The interior of the country is said to be well supplied with opium, the whole of which must be smuggled.

5022. How are the Russian teas conveyed from China to St. Petersburgh?—I am not aware how they are sent; I should think they go by the grand canal to the north, to Pekin. I am not aware of the route between Pekin and Kiatca.

5023. Do you know the length of time it occupies in conveying them from Pekin to Petersburgh?—No, I do not; we were four months coming down from Pekin to Canton.

5024. You stated, that a large ship had great advantages in the stowage of the tea, as compared with a smaller one?—The chests are stowed much more rapidly, are less liable to be broken, and less damage is found to occur in the cargoes.

5025. In what respect is there greater damage as regards the voyage on board a smaller ship than a larger one?—The Company employed small ships to take teas to Canada, and have occasionally freighted with the same article small ships from China to London. I have heard that the teas taken in

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those small ships were in a much worse condition than those taken in the large ships; that the packages were more broken, and they were injured also by leakage. In the year 1815 there was a number of small ships employed in the China trade, and I understood the teas taken by them turned out badly, in comparison with that imported in larger ships.

5026. Should you think that a land carriage of several thousand miles would be less likely to damage packages than a long voyage in a ship of 600 tons?—No. I should think they would be extremely liable to be damaged in a long land carriage. We know that a great deal of damage arises in bringing down the teas to Canton from the tea country; there is a considerable loss sustained therefrom in every year.

5027. The question refers to the transit to Petersburgh?—I imagine that there is a great deal of damage sustained by the article during such a transit.

5028. Is it not understood that the tea sold in Russia is of very good quality?—Yes; but it is packed in small packages, and consists of the most valuable sort of tea only. I suppose there is more care taken of such an adventure than could be given to the vast importations of tea into Canton.

5029. What is there to prevent a person packing chests of tea safely in a small vessel as well as in a large one?—It would take a great deal more time to load them.

5030. What difference of time do you conceive there would be?—That question I am not qualified to answer; the matter has been a subject of conversation with the captains who are engaged in stowing their ships with tea, and that is their opinion.

5031. Do you think there would be more difference of time in stowing teas than other commodities?—They are obliged to use a great deal of care in consequence of the tea-chests being made of fragile wood. In what precise degree a large ship is better adapted than a small one for the conveyance of tea I am not qualified to decide.

5032. By what class of persons are the long ells worn; for what purpose are they used?—Generally for furniture; but they are also worn by shopkeepers, and the general class of labourers.

5033. For curtains?—Yes; and coverings of chairs and tables, and beds.

5034. Are they the same sort of cloth called furniture cloth in this country?—I never saw them used in this country. It is a thin manufacture.

5035. The demand for them, you say, has fallen off in China?—It has not increased; the exports certainly have diminished, as compared to what the export of 1820 was.

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5036. If other persons export an equal quantity, then the demand cannot be said to have fallen off?—No; supposing that be made to appear.

5037. Camlets are universally used in China, are they not? —No, they are not; they are used chiefly for furniture, more than for clothing.

5038. Do you know in what manner the Americans conduct their trade with the outside merchants; do they carry it on as a trade of barter, or make it two transactions?—The Americans generally go into the market provided with dollars, therefore barter does not enter into their transactions.

5039. When they offer manufactures, what is done?—They sell manufactures to a small extent, and they observe a great deal of secrecy as to their mode of disposing of them.

5040. Have you heard it stated that the Americans make a profit on the export of British manufacture?—So I have seen that stated in printed papers.

5041. From your knowledge of the trade, can you understand how that occurs?—I should not have expected such a result, from my knowledge of the trade.

5042. They either must purchase their manufactures much cheaper than the Company, or sell them dearer, to bring about that result?—Certainly they must. The Company sustain a loss on their exports generally; the Americans affirm that they derive a profit.

5043. They sustain a loss, though the tale appears to be worth 6*s.* 8*d.* in their accounts, being really worth 6*s.*?—Yes.

5044. Are any part of the imports the Russians introduce into China woollens?—I understand they do introduce into China a good deal of the produce of Saxony.

5045. What description of goods are they; the finer woollens, or the coarser?—We had some specimens sent down to us a few years ago of the coarse woollens, and in consequence of that we sent them to England, and had cloth of the same kind manufactured and returned to Canton; but it would not realize the cost and charges, and the experiment was not repeated.

5046. Do you not conceive the cost and charge of conveying Saxon cloth to China by land greater than that of conveying to Canton by sea, and then sending them up the country?—That I am not able to say.

5047. Have there not been occasions on which the junior Hong merchants have lent their names for the purpose of conducting transactions directly with the country merchants?—The junior merchants were very much embarrassed, and in fact bankrupts; the Company's servants wished to support them, to keep up a number of persons with whom they might deal; and, on their part, they contracted with country merchants for the

delivery of teas, which were paid for at once, direct from the Company's factory. The object was to keep up a number of Hong merchants, that we might not be placed entirely within the control of three or four senior Hong merchants. 8 June 1830. — F. H. Toone, Esq.

5048. Practically you stood, in your dealings with the country merchants, in the position in which the Hong merchants usually stand; engaging with them directly for the price of the teas? —Yes.

5049. Did you find that you contracted on better terms?—The contract was made with the country dealers on the same terms on which the senior merchants contracted with their dealers; the teas were brought to the Company according to the scale of prices adopted by the tea trade generally.

5050. Did you not in that case make, as an additional profit, the profit of the Hong merchant, deducting only that paid to the merchant for the use of his name?—The profit went of course to the junior Hong merchant; he had the whole profit allowed to him, as a mode of paying off his incumbrances. The object was to restore them to a situation of efficiency, that they might bear competition with the senior and richer merchants.

5051. He was allowed to have the same benefit as he would have had if he had traded with his own money?—Yes; just so.

5052. It has been stated that the teas brought by the Americans and others to Europe and elsewhere are of inferior quality to those imported to this country by the Company; is that so? —I believe they are so generally.

5053. Do you conceive that that tea of an inferior quality, so imported into Europe, is inferior to the mixture of dry sloe and ash leaves sold in this country for tea?—That is very probably not the case; but never having drank tea abroad, I cannot say. But the Americans think that they drink better tea than we do here, though they acknowledge that the tea they export from Canton is not so good as ours.

5054. Why have the East-India Company never endeavoured to introduce into consumption in this country that inferior kind of tea?—I believe it is because the tea-brokers, and those most conversant with the trade, have strongly recommended to them not to introduce that kind of tea; and that they acted upon the recommendation of the tea trade.

5055. Would the brokers have the power of imposing such a restriction upon the sale of tea if the importation of tea was more open in this country?—The brokers have the best opportunities of getting information, as I understand, regarding the peculiarities of the market. In the despatches we have received from the Court of Directors, they have always dwelt

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on the necessity of our keeping up the quality of tea, by not sending any such as would bring the article into discredit.

5056. Were you in China at the time the Americans first engaged in the trade to Canton?—There was a large trade carried on by the Americans when I first went out, in 1805.

5057. Can you state that the improvement in the American teas has kept pace with the improvement which you describe to have taken place in the teas of the East-India Company?—I have no means of answering that question.

5058. Are you aware of any instances in which English, European, or foreign capital has been lent to the hong or other merchants at Canton, so as to establish a direct interest between them and foreigners?—The junior merchants, and indeed all but two or three of the senior Hong merchants, have been in the habit of trading on capital furnished them by the houses of agency and others in Canton.

5059. Are such transactions carried on without any difficulty from the Chinese government or the Chinese laws?—I believe the Chinese laws will not recognize the right of Chinese to borrow money of Europeans.

5060. But, practically speaking, are such loans made, and the benefit of them received, without inconvenience, by foreign agents or capitalists?—I consider the agency houses to which I allude would, in a majority of cases, not have advanced money to the merchants without an understanding, that if the teas on which it was advanced were purchased by the Company, the money should be returned to them from the Company's factory, without going into the merchant's hands.

5061. Then they have to a certain degree the security in their own hands?—In that case they have security, and that to a considerable extent. If the teas, when brought to Canton, prove of such an inferior quality that the Company will not purchase them, then the lender would have no security but the honour of the Hong merchant.

5062. Are such loans made upon interest, or the expectation of receiving a participation of the profits?—In all cases of which I am informed, the loans were made at the rate of interest of one per cent. per month.

5063. Do you conceive that to be the established interest in China, or the particular interest attaching to those transactions? —I have understood that to be the usual rate, but I have known one and a-quarter per cent. paid by Hong merchants who have been obliged to borrow. A good deal of the trade of the junior merchants of late years has been under the control of the Company's Committee. From the distressed situation of those merchants, we could not allow any of our imports to go into their hands until the money for which they were sold was

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brought to the factory. In some of those cases a deduction of one and a-quarter per cent. was made on the price given by the native dealer who purchased the goods of the junior Hong merchant, in consequence of prompt payment.

5064. Has any capital been advanced in the way you describe by Americans?—I have understood, largely; but there was no understanding between the Company's servants and the Americans with regard to the capital so advanced. I know it is a fact that large sums have been advanced by one American merchant to Hong merchants.

5065. Have you understood that the Americans have experienced any difficulties with regard to the reimbursement of such goods, or the profits arising from their employment, which have not been experienced by English merchants making similar advances?—No; I am not aware that they stand in a worse situation; excepting the cases in which certain British merchants advanced cash to Hong merchants, with an understanding with the Company's servants. That has been mentioned above.

5066. Will you state the causes of the distressed situation of the junior merchants at Canton?—The improvident conduct of the merchants, and their speculative habits.

5067. You stated that the teas furnished to the Americans were of inferior quality to those furnished to the Company; do you apply that observation to all descriptions of teas, or only particular descriptions?—We understand, generally, that the quality of their teas is inferior to that of the East-India Company.

5068. Do you apply that observation to green teas as well as others?—Yes; they export but a small quantity of black tea.

5069. You were understood to say that they gave such high prices for green tea as the Company did not feel justified in going to?—They gave high prices for teas of low qualities, which we did not feel justified in giving; that occurred in 1825 and 1826.

5070. Their competition increased the price of green teas, did it not?—Yes, in 1825 and 1826; but it has fallen since.

5071. Is green tea as cheap now as it was before that competition commenced?—I have not heard the prices of green tea since I left China, but they had fallen before I left. The price of twankay, which forms the bulk of our green teas, has remained the same for many years past.

5072. Is the larger quantity of green tea now delivered of the same quality as the smaller quantity was formerly?—Yes, it is, I believe, of the same average quality.

5073. But there has been great difficulty experienced in obtaining the additional supply?—We have always given the

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Hong merchants larger orders for green teas than they executed; they declared they were unable to procure green tea sufficient to meet our annual orders.

5074. That is, at the same price at which the smaller quantity has been before delivered?—Yes; at our fixed prices.

5075. Did they ask an increase of price, and say, that if they had an increase of price they could supply a greater quantity?—No, they did not. The bulk of our green tea consists of twankay, and that is a species of tea in which the Americans do not much deal; therefore they never suggested that our prices were insufficient to induce the manufacture of more, but that they could not get a larger supply.

5076. What is the species of green tea in which the Americans chiefly deal?—Hysons, hyson skins, and young hysons.

5077. Young hyson is one of the most delicate and finest teas, is it not?—It has not been thought much of in England, I understand, or the Company's officers would import it largely into this country.

5078. Has there been any difficulty in obtaining an increased supply of black tea?—We have never experienced any absolute deficiency in black tea. Some years the quantity brought down to Canton has been only sufficient to load the ships; in other years 100,000 or 150,000 chests have remained unsold at the end of the season; and then the best of them were purchased by the Company at reduced prices, to be shipped the following season.

5079. Does the Factory make it a practice to sell every year all the woollens and other manufactures they receive in the course of the year, whatever the price which may be obtained for them?—Almost always.

5080. No matter what the price?—No; except in some very rare instance, they are always sold, as otherwise they would interfere with the exports of the following season.

5081. There have not been cases in which the Directors have been advised to send out only a portion of the supply the following year, in consequence of your not being able to obtain an adequate price?—We have occasionally requested them to limit their supply; but never wholly to suspend their import.

5082. Have you ever been able to form an opinion, whether it would be possible to obtain, in the course of five to ten years, an increased supply to the extent of five or ten millions of pounds of tea from China?—That is a speculative question; but I think that the supply of black tea may be increased, and that in case of a steady demand it might be gradually increased to that.

5083. Is it black tea which is in general use throughout the country by the inhabitants?—It is.

5084. Is that tea consumed by the poorest persons in China?—Tea of some kind or other is consumed by the poorest persons; but a great deal we saw used as tea we were told was the leaf of some other plant, not tea.

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5085. Is tea consumed throughout China?—So we understood.

5086. It is supposed to be cultivated by individuals in their gardens; by the lower orders of people?—It is said so. In the province of Fokien there are large districts covered with it; it grows on the hilly grounds.

5087. Does it require any particular soil?—A light hilly ground, it is said, produces the best tea.

5088. Is not the shrub the same for all descriptions of tea?—That has been a disputed question, but we rather conceive it is; that it is only the difference of culture and preparation makes the difference between black and green tea; the crops are picked in the spring; the first in May; there are three selections of leaves in the course of the year.

5089. Do you know how soon the tea plant bears leaves?—I am not aware of that.

5090. Do you know whether the Chinese government make great efforts to prevent opium being imported?—They publish annually two or three edicts, denouncing the strongest punishment on those who may be caught smuggling; but notwithstanding that the trade is carried on with the utmost facility. It has increased within the last twenty years from 3,000 chests a year to 12,000 or 14,000 chests.

5091. Do you conceive that the efforts to prevent it are chiefly confined to those edicts?—They employ revenue boats to cruise and intercept the smugglers; but the commanders of those boats are understood to be bribed, and often to be the persons who convey the opium from the ships to the coast.

5092. Do not you apprehend that there would be a considerable demand in this country for that species of tea which you conceive the tea-brokers are averse to the consumption of?—I should think they were the best qualified to judge of the kind of teas suitable to the market. We have always understood that the way to extend the consumption of tea in this country was to maintain the quality of the article; such has been the principle always held out to us for our guidance in China.

5093. You think that in excluding that species of tea they have acted solely on that ground?—I conceive so. There is a very large quantity of cheap tea sent to England, but it is always of a sound and good quality. The prices of teas are very much diminished at the Company's sales, in consequence of the vast quantities put up; the average price has been much decreased.

5094. Is there any species of European woollen manufacture

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for which you think there is an increasing demand in China?—None.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 10° *Junii* 1830.

The LORD PRESIDENT in the Chair.

JOSHUA BATES, Esq., is called in, and examined as follows:

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5095. You are an American merchant, are you not?—I am an American; I have resided here for the last twelve years as a merchant in this country.

5096. You have been largely connected with the trade with China, have you not?—Since my residence here, I have been connected with the trade to China and other parts of India; and for many years in America I was connected with the India trade.

5097. Are you a partner in any house in China?—I am not; I am now a partner in the house of Baring, Brothers, and Company, of this city.

5098. What is the nature of your connection with the China trade?—Baring, Brothers, and Co. have managed as agents for a house largely connected with the China trade residing at Boston; they have a branch at Canton; we have acted as their correspondents here.

5099. Is this part of the concern of Baring, Brothers, and Company?—It is; it is a part of their business.

5100. What interest have you in the trade conducted by that house; merely that of an agent?—Merely that of an agent for the house at Boston.

5101. You receive a commission upon all purchases in this country?—We receive a commission.

5102. Do you sell in this country for that house?—Until recently we did not; latterly we have sold considerable quantities of raw silk, received by way of the United States.

5103. Raw silk imported into the United States from China, and from thence into this country?—Yes.

5104. Has silk been imported into this country, under those circumstances, to a great amount?—Probably to the extent of two or three hundred thousand pounds sterling; perhaps one hundred thousand pounds in the course of the year.

5105. Is that raw silk only?—Yes; there are importations of silk manufacture in the same way. 10 June 1830.

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5106. Have those importations been conducted through your house?—A great portion of them.

5107. Have they been to any considerable extent?—I do not recollect precisely the extent, but I should think to the extent of twenty or thirty thousand pounds.

5108. Has that importation of raw silk from America been profitable?—It depends on the fluctuations in the market; at times it has been profitable, at other times there has been a loss; last year it was rather a losing trade.

5109. Has the American trade with China, as far as it has been conducted in manufactures, been an increasing trade of late years?—So far as my knowledge goes, it has rather increased; I cannot speak positively as to the whole of it, but I should be inclined to think it had increased; that which has been under our management has increased.

5110. Can you state what articles of manufacture, others than those transmitted by you to China on American account, form part of the American investments in a voyage to China?—I am not aware that there are any other articles that are not included in the shipments we have made. I believe we have sent, generally, many things which have not been sent before, as an experiment.

5111. Will you enumerate the different articles of manufacture which you have exported from hence to China?—I will state those which are generally known; it not being a business which is our own, I do not know whether it would be right for me to state the particulars of articles which may lead to profit, and which belong to the house in Boston; but the articles we have shipped are chiefly those which are shipped by the East-India Company.

5112. Woollens and cottons?—Yes, and metals; and opium has been a great article; there are many other articles, but I believe they are unknown to the public; and it would probably injure our correspondence were I to name them so precisely as that any other person could come into competition with them in the shipment of them.

5113. Has their export of woollens increased?—I think the past year of shipment has been larger than it had previously been.

5114. Can you state the amount of it in the past years?—In the year 1826, it was £120,000; in 1827, £82,000; in 1828, £98,000; in 1829, £147,000; to 1830 I cannot speak precisely, but I remember one cargo alone was £160,000, but that included a considerable portion of opium; I think, however, it has been larger during the present year than at any former period.

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5115. Do you think that those adventures have been upon the whole profitable?—I have no doubt they have been profitable to a certain degree; that they have not given large profits, but there has been a regular small profit upon them; that is my impression, though I had not the settlement of these matters, and therefore cannot speak positively.

5116. Have you exported any large quantity of cottons?—Generally there are a considerable proportion of cotton manufactures in the different investments.

5117. The account you state was the total amount of value of the whole exports?—Yes, the total amount of value of the whole exports by the house with which I am connected.

5118. Can you state what proportion of that amount consisted of woollens?—I should think two-thirds of the whole amount, except this year; there was a large exportation of opium in the operations of this year, which alone amounted to £100,000.

5119. Was the export of woollens less this year than in previous years?—More; the cotton goods were rather omitted this year.

5120. What has been the value of the cotton manufactures exported in each year?—I am not able to answer that question very precisely; I should think to the extent of £30,000 to Canton alone; that does not include the Manilla market.

5121. Has that been an increasing export?—Since the year 1819 it has increased very much to that quarter; perhaps during the past year or two the business has been rather overdone to the Manilla and Batavia market, and to Sincapore, which has rather diminished the direct shipments to Canton.

5122. Are you aware that it appears by the accounts presented to Parliament, that there has been a very considerable diminution in the American trade to China of late years?—I am aware that it has diminished after the year 1826; I think the trade was very much overdone at that time; that, like the trade of all other places, there has been a diminution since that period; but it is now recovering again, and probably, during this year, it will be greater than it was the last.

5123. At what period do you consider the trade to have been overdone?—In 1825 and 1826.

5124. By the account before the House the imports into China in 1825 and 1826 appear to have been smaller than in previous years?—Perhaps it will be necessary to take the year previous to that as showing it. The imports into China by the American vessels in the years 1825, 1826, and 1827, were 7,913,810 dollars, the exports during the same period 8,335,788 dollars; in 1826 and 1827 the imports have fallen to 4,243,617, and the exports to 4,373,891.

5125. From what paper do you take that statement?—This is a statement furnished by the correspondents of our house.

5126. Have you compared that with the paper number 25, in the papers presented to Parliament in the last year?—I have not compared it, but I believe it corresponds with that paper. I have it for twelve years, from 1815-16, and I find it set down in 1824-25 rather higher; 8,900,000 dollars.

5127. Does the paper in your hand distinguish the sale value of merchandize imported into China by the Americans from the value of the bullion or the dollars?—It does not; it includes merely the value in dollars of the imports and exports.

5128. Have you any knowledge of the value of merchandize imported into China by the Americans in each of those years?—I could give a statement of that, I have it not here; generally, I should say it was somewhere near five millions of dollars in specie.

5129. Can you state the value of the merchandize imported in each year?—I could give a statement of it, but I have not the statement with me; it is contained in a book.

5130. By the account presented to Parliament it appears that the largest import of manufactures upon the part of the Americans into China took place in the years 1821-22, in which year that import amounted in value to 3,074,741 dollars, whereas in the last year in this account, 1826-27, that import amounted only to 2,002,549; have you any means of stating in what articles of manufacture that import had fallen off?—I am not able to state precisely on what articles the import had fallen off. I should infer from the statement that probably in that year there was a large importation of furs from the north-west coast of America, and probably a good deal of ginseng from the United States—an article that sometimes bears a great price in Canton.

5131. By the account it appears that the importation of furs was greater in the year 1823-24 than it was in the year 1821-22; is the value of those furs considerable?—In former times it was very considerable; to the extent, I should think, in some years, of a million of dollars; but latterly, I think, it has fallen off, perhaps half a million.

5132. It appears that in the year 1806-7 the total number of furs imported amounted to 298,949, and in the year 1811-12 to 367,215; that in the year 1825-26 the import was 65,958, and in the year 1826-27, 73,575; can you explain to what circumstances that great diminution is to be attributed?—In the early period named the trade was much more lucrative, there were a greater number of ships engaged in it, and the price of furs at Canton had been maintained at the same rate; but of late years the trade has dwindled to a very trifling amount; there

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5133. Can you explain under what circumstances that trade has so much fallen off?—I am inclined to think the limits of the trade are rather reduced by the regulations of the Russians; they are not allowed to cruise so far north as formerly; and probably from this that there is a scarcity of furs; that they cannot collect so many as formerly, particularly the fur seals; the number is very soon reduced.

5134. Are they the sea otter skins?—Yes, in part.

5135. Are you acquainted with the expense of the establishment of the house in China; the number of persons engaged in carrying on their business?—Formerly there were Mr. Cushing, and he had a clerk, and sometimes he might have two; latterly there has been Mr. Forbes, and he has had a young gentleman with him; there is no other establishment beyond that of the servants in the Factory.

5136. What may have been the extent of exports from China which may have passed through their hands in the course of a year in value?—It varies considerably from year to year; some years it has not been more than a million of dollars, in other years it has amounted to two millions, or more.

5137. Has that house been in the habit not only of conducting at Canton their own business, but likewise acting as agents for other persons?—They have been confined to their own business for the last eight or ten years.

5138. Are you aware of the amount of commission charged by agents at Canton?—The established commission, I believe, is two and a half per cent. for American business; they generally return to the supercargoes one per cent. and that, I believe, varying I suspect according to the sort of bargain they make at the time.

5139. The real commission paid to the agent, then, is only one and a half per cent.?—The general commission is two and a half per cent., and every ship which goes there has a supercargo who is charged to manage the ship; he endeavours to make the best bargain he can with regard to commission, and I should suppose that at least one per cent. was returned to him, which forms his portion of the profit.

5140. The whole is two and a half, and the advantage to the agent is one and a half?—Yes.

5141. With whom do the Americans conduct their trade at Canton; with the Hong or the outside merchants?—Generally with the Hong; but they trade with the outside merchants whenever they find it for their interests.

5142. Did you ever understand that they had experienced a difficulty in procuring all the green tea they required?—Green tea is not so abundant as black, but I have never heard that they found any difficulty in obtaining as much as they wanted; it certainly yields a greater profit at the present moment than any other kind of tea, and from that it might be inferred that there is a deficiency of it; but it never occurred to me before.

5143. Has the export of green teas altogether increased from Canton of late years?—I should say it has considerably increased.

5144. Do the Americans purchase their tea on as good terms as the Company?—I have no doubt they do, on quite as good terms; they sometimes buy on contract, but more generally in the open market, after the teas have arrived.

5145. You mean by buying by contract, that they have made a previous contract for the delivery of so much tea without seeing it?—Yes; so much tea of a given quality. The tea is brought in November and December.

5146. What proportion do you apprehend the quantity of tea they purchase on contract bears to the total quantity they purchase at Canton?—For the Americans I should say it bears but a small proportion, perhaps not ten per cent. on their tea.

5147. By whom is the tea brought into Canton which is sold in the open market?—It is brought by tea merchants from the interior.

5148. Is it brought by the same description of persons with whom the Hong merchants contract for the delivery of teas?—I cannot speak as to that, but I conclude the same description of merchants; perhaps not the very merchants with whom the Hong merchants may be in correspondence, but persons having tea from the interior.

5149. Do the Americans purchase their teas of those country merchants who bring the tea into Canton?—They buy from the Hong merchant, or from the outside merchants, who are another description of merchants, not from those bringing the tea from the interior.

5150. Are the Hong merchants purchasers of tea on their own account?—So far as they contract with foreigners; I have no doubt they make also a contract with the tea merchants in the interior; beyond that, I should not suppose they purchase very largely.

5151. When the Americans purchase teas in the open market, they purchase teas which have been contracted for by the Hong merchants?—Some of them do, those who buy from the Hong merchants; I should say those which the Hong mer-

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chants have contracted for, or which have been placed in their hands for sale from one or other of those causes.

5152. Has the price of green tea been increased by the competition which has taken place?—Particular kinds of green tea have advanced; imperial and gunpowder, I believe, is dearer now than it was a few years ago.

5153. Are not the Americans in the habit of buying some sorts of tea that do not ordinarily form a part of the investment of the East-India Company?—They are, particularly the high-priced green teas, which are very rarely brought here.

5154. Do you know what proportion in value of that investment consists of that description of tea which is not imported generally into this country?—I have here a statement of exports to the United States for the season of 1828-29; it would give an idea of the proportion of the different sorts of tea shipped to America. I can read the totals: of each kind of bohea, 700 chests; Souchong, 16,447 chests; Pekoe, 190; Hyson Skin, 17,778; Twankay, 5,707; Young Hyson, 24,169; Hyson, 10,512; Imperial and Gunpowder, 4,582; making a total of 80,498 chests.

5155. What is the weight of a chest?—From seventy-two to seventy-six pounds.

5156. It appears by the accounts presented to Parliament, that, in the year ending the 30th of September 1826, the quantity of tea imported into the United States amounted to 10,098,900 pounds, and in the following year, ending the 30th of September 1827, to 5,875,638; to what circumstances do you attribute that great falling-off in the year 1827?—The trade had been very much overdone; the consumption of the United States I should not consider more than between six and seven millions of pounds, therefore it was a very great excess of importation, which would naturally adjust itself; I believe there was at that time a great deal of money lost by importations of teas from Canton, and that the subsequent short importations have reduced the stock, so that the business is now in a wholesome state again.

5157. It appears that the exports of tea from the United States in the year 1826 amounted to 2,804,753 pounds, and in the following year to 1,626,417 pounds, the decrease being 1,178,336 pounds; can you account for the great falling-off in the export of tea from the United States in that year?—The export of tea from the United States depends entirely upon the state of the Dutch and Hamburgh markets; it is exported to those markets and to France; and I do not know whether any inference could be drawn from the fact, that the exportation was diminished or increased, only that the foreign markets furnished a better market than could be got at home.

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5158. Do you apprehend that the consumption in America varies much from year to year?—I do not think the consumption of America increases so much as it would in other countries; they are not great tea-drinkers; they are more generally consumers of coffee; the consumption, however, has increased pretty regularly.

5159. It appears that the exports of tea from Canton, for European consumption, were in the year 1825-26, 1,360,800 pounds, and in the year 1826-27, 357,966 pounds; do you apprehend that so great a falling-off in the exports of teas for European consumption from Canton in those years, taken in conjunction with the falling-off in the exports from America of teas in nearly the same period, would have taken place, had not the sale of American teas on the Continent been materially interfered with by the import of teas of other nations?—I should draw that inference from it, that the sale of teas of the American importations must have been interfered with by importations of other nations; of late years the Dutch Company has endeavoured to supply Holland fully.

5160. Is it understood that they have carried on their trade with profit?—On the contrary, with very considerable loss.

5161. They have however succeeded in materially interfering with the American trade?—For a time they have; for the present the Dutch Company have desisted; they have sent out only half their number of ships this year, and there is more room for Americans or for foreigners; the prices are now improved, yielding a small profit.

5162. Do you apprehend that, in consequence of that competition between the Americans and the Dutch, the price of tea during the last year, on the Continent, can have been considered to be a remunerating price?—During the last year it has paid a reasonable profit; up to last year it was difficult to gain by tea to the Continent.

5163. In your opinion, may the prices at which it has been purchased in the course of the last year on the Continent be considered as fair average prices, remunerating for the cost of import?—I should say they are, certainly.

5164. Should you say the same as to the price in America towards the close of the last year?—I could not say the same of the United States the last year; the early part of the present year, however, they have been obtaining fair prices.

5165. You would consider the prices of Boston and New York, in October and November of last year, rather below a remunerating price?—I should think they were; there has been a good deal of embarrassment in that section of the country, and, as is usual under those circumstances, there has been no

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speculation in merchandize, and the prices have been lower in consequence.

5166. Are you aware whether the Americans import into China any manufactures bearing the same name as the manufactures of England, but not actually manufactured in this country?—I believe very considerable, that is, considerable for the United States; shipments have been made to Manilla and Canton of a species of cotton more resembling the white cottons of Bengal than any cotton goods manufactured here; they are stout goods; they have sold, I understand, very well; those goods have been imitated here at about two-thirds of the American cost, and the business from America, I believe, is at an end.

5167. Have you seen an account in the papers presented to Parliament last year, stating the quantities and value of British articles imported into China by the Americans in the years 1824-5, 1825-6, and 1826-7?—I have not read any of those accounts.

5168. Have the goodness to look at the account, page 46, and state whether, as far as you are acquainted with the course of trade, the manufactures there stated as British probably were of British manufacture?—I should say they were; there is a description of goods answering to the name of camlets manufactured in Holland, but the quantity is not great, and I am not aware that any were shipped during these years.

5169. Does the amount there stated as the value of British manufactures imported into China by the Americans in those several years, generally accord with your idea of what that value may have been?—In my opinion it does, about £200,000; it will have gone, I think, rather higher since that period.

5170. Are you of opinion that a British merchant would export British manufactures to China with more advantage than an American merchant from this country?—I do not see that he would have any advantage; Americans have the same privileges here; the only charge, I believe, they have to pay more than the British subject has to pay, is the scavage dues to the city of London, which amount to about one per cent.

5171. Are they not returned?—They were returned for a time; but latterly they have been insisted upon as respects any trade not direct to the United States.

5172. Do you expect there would be any greater exports of British manufactures from this country to China in the event of the opening of the trade to British subjects?—I think there would be a very considerable increase. There seems to be a complete revolution in regard to the trade of the East-Indies. The first ten years of my commercial life, I was engaged in receiving the very manufactures from India which are now carried

the other way. I have no doubt that the Chinese would receive manufactures of England, and that they would go into more general consumption, if it was in the hands of private traders, as it requires considerable management to introduce the different articles.

5173. If the Americans now possess and have for several years possessed all the facilities for carrying on that trade in British manufactures which would be possessed by Englishmen in the event of opening the trade, how is it, if that trade is capable of extension, that it has not been extended much more than it has been?—It is a trade which requires great experience in the details; there are very few persons in the United States who know any thing about it. It is a trade which requires a double capital, inasmuch as they cannot rely on the sales of the goods for the purchase of the return cargo; consequently, those who have sent ships from the United States for a cargo of teas for the consumption of the United States, could not calculate on any period of the return of that ship, unless they were to send credit or dollars. The goods' business has been confined to two houses; I believe that in British manufactures they have not relied so much on the return of teas to the United States.

5174. Are you of opinion the Americans would conduct that trade to a larger extent and more advantage if they had larger capitals?—I believe there is capital enough there; but that those persons who possess that capital have not acquired a proper knowledge; but that they have it now, or will have it very soon, I have no doubt. They will carry on a greater portion of trade in a very short time.

5175. Are not the partners of the house of Perkins and Company at Canton as much acquainted with that trade as the agents of the East-India Company can have become?—Perfectly so; and it is of course their object to keep that information to themselves.

5176. They have had the means for years of extending that trade as greatly as British merchants would have had if it had been opened to them?—Certainly; if the tea trade is closed against them there is no mode of making a remittance beyond a certain point. I believe I have stated that on teas generally to Europe there is or has been very little profit; it has been very difficult to make a par remittance in teas; the very limited amount which can be remitted in teas to the Continent, where the consumption is very trifling compared with the consumption of England, prevents their embarking beyond any number of ships required to bring back the teas necessary for those markets. During the past year I believe the house of Perkins were the shippers of all the teas to the European markets, except those by the Dutch Company, which did not extend to more

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5177. The American merchants of Canton having open to them the whole supply of all the world with teas, with the exception of Russia and England, do you think their market for teas is too small to enable them to extend that trade considerably; that there is a difficulty in obtaining returns?—That is a difficulty that would be in some measure removed, probably this very year, by the recent discovery that dollars are no longer wanted there; the Americans now take credit to a considerable extent, and the bills which would be thus offered in the market could be purchased as a remittance.

5178. Where do the Americans obtain those bills?—The Bank of the United States issue bills; the different banking-houses of the United States give credits upon London; those bills are taken to Canton, and are there sold, and are bought by the native merchants who trade to Canton with opium; they take the bills to Bombay and Calcutta, they are there sold as remittance to England.

5179. So that the country trade of India is the foundation of the American trade with China under this altered system?—It would be incorporated; the two trades would work very well together; but I believe the Americans have, until the present year, chiefly carried specie, dollars.

5180. It is understood that the profit in the American trade to China is made, not on the import, but upon the export cargo?—In the one case it is on the import, and in the other upon the export. Those adventuring from the United States and sending dollars, rely entirely upon the manufactured silks and tea which they get in return, for their profit; but on that part in which I conceive British manufactures are concerned, there the profit on the British manufactures, I should say, was the temptation.

5181. If there were so large a profit upon British manufactures as to create that temptation, and the Americans have had, as they have had for years, the means of exporting those articles in any quantities, can you explain why they have not been exported to a greater extent than £200,000 a year in value?—It takes a double capital; and the information necessary to carry it on successfully at Canton is confined to very few; I am not aware that there are more than two houses in the United States which have had any knowledge of it till within these few months.

5182. Have the Americans engaged in trade with China been in general persons of large capital?—Generally persons of large capital, or they have acquired it in the course of this trade; all the old houses, however, engaged in it, have acquired fortunes.

There have been failures, within the last few years, of persons who adventured indiscreetly beyond their means. 10 June 1830.

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5183. Is it a trade generally requiring great capital, and in which great capital has considerable advantages?—It requires great capital or credit; the outlay is for twelve months, and therefore the trade cannot be carried on by persons who cannot afford to lay out of their money that time.

5184. If the trade were carried on by the subjects of England, do you think they could carry on that trade as cheaply as the Americans?—I see no reason why they should not.

5185. Do you think they would carry it on more cheaply? —I do not think they would carry it on more cheaply; except that they would have the advantage of the one per.cent. which the Americans have to pay for the scavage dues. I do not know of any other difference. Perhaps the freight might be rather more on English ships.

5186. Do you know the difference between the freight of an English and an American ship?—There is not much difference with the recently constructed ships at Liverpool, where the competition is very active; they have some British vessels on the same model as the Americans, and they rank together as they lie, and sail side by side. I believe the amount of British tonnage is rather increasing; I allude to the amount of British shipping bringing cotton, for instance. I believe there is not much difference in the freight or the sailing of those ships recently constructed on approved models; they are fully equal in every way, and there is very little difference in freight.

5187. Could an American merchant ship British manufactures at Liverpool as cheaply as a British merchant could?—I believe there is no difference.

5188. The only difference is in the port of London?—Yes, in the scavage dues, which is a considerable impediment.

5189. What is the freight from England to Canton and back at this time?—I think ships could be chartered now, from 400 to 500 tons, at £6. 10s. per ton for the voyage out and home.

5190. Have you ever understood that it is more advantageous to ship teas in a vessel of 1,000 or 1,200 tons than in one of 600 tons; that the teas are less injured in the package?—I should think there could be no difference if the ship was perfectly dry; that the tea would come as well in one sized vessel as another.

5191. What sized ship do you consider as the most economical for the voyage to China?—The most approved construction is about 450 tons of a particular model, which will carry more than half as much as a Company's ship, and be navigated with eighteen or nineteen men.

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5192. You spoke of vessels of 600 tons as having a freight of £6. 10*s*.?—I mentioned those because there are a great number of that description of ships here.

5193. What would be the freight of one of those vessels on an improved model of 450 tons?—In the United States a ship-owner offered to contract to supply a ship at thirty dollars per ton measurement on teas, the ton of forty cubit feet; that was for the voyage out and home; that comes to about £6. 10*s*.

5194. There would be no difference in the freight of a vessel of 450 and 600 tons?—Per ton there would be no difference.

5195. When you speak of £6. 10*s*. a ton, do you mean a ton of 40 or 50 feet?—I think a British ship would be got now at £6. 10*s*. per ton of 40 cubic feet.

5196. What would it be for the fifty cubic feet?—I think that comes to about £8. 2*s*. 6*d*.

5197. Is not the tonnage of the East-India Company computed at fifty feet to the ton?—I understand it is.

5198. In what particulars is this great improvement that has recently taken place in vessels of 450 tons burthen?—It consists in adding much to their length; they are longer and deeper, and have a peculiar form.

5199. Does it improve their capacity without interfering with their velocity?—It improves their capacity; and their velocity is even greater.

5200. Is a vessel of 450 tons on the improved construction really a much larger vessel than a vessel of the old construction of 450 tons?—She is really a larger vessel.

5201. How many tons does she actually carry?—I suppose a ship of 450 tons on the improved construction would carry 750 tons of tea of 40 cubic feet.

5202. What is the premium on the insurance for a voyage to Canton and back?—I do not recollect what it is out and back, but I think it is outward two and a half; and I believe homeward two and a half. I have understood the Company's ships have paid three per cent., but latterly they paid only two and a half.

5203. The Company do not insure?—They do not; but there are some parties who insure their interest for similar voyages.

5204. Do the American ships last as long as the British ships?—Those that are built with care for some individuals who are very particular, I believe, last as long; but generally they do not.

5205. Upon the whole, should you consider it cheaper to navigate a British or an American ship?—I think that a British ship cannot be navigated so cheap as an American. I believe

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there is a necessity for taking apprentice boys, which create expense; and the provisions cost rather more. I think in a long voyage it might make a considerable difference. I have stated before that it makes a quarter; but I think that is too much.

5206. In that answer you compare the expense of navigating an American ship from America, and a British ship from England; but if both left a British port for China, would there be any considerable difference of expense in navigating them?—I believe very trifling; the only thing would be the necessity of taking those boys, which are considered by the Americans as useless.

5207. Has the trade to Manilla increased?—Very much.

5208. In what articles is that trade carried on?—In a much greater variety of articles than to China; some hardware and other descriptions of goods usually purchased by the natives.

5209. What are the articles from Manilla?—Sugar, and a species of grass which is very valuable, indigo, and tortoiseshell, and coffee.

5210. Can you state the value of the imports into Manilla in any one year?—I cannot. I have a statement of the productions of Luconia for the year 1825, which I beg to deliver in.

The same is read, and is as follows:

STATEMENT OF THE PRODUCTIONS OF LUCONIA, 1825.

					Dollars.
Indigo	3,472	Quints	100 dollars		347,200
Sugar	138,298	Pilons,	say 90m. Pl. at 4 dolls.		360,000
Pearl shell	2,687	Peculs	20		53,744
Tortoise ditto	3,130	Catties	7		21,910
Rice	39,906	Cabaus	$1\frac{1}{4}$	49,882	
Ditto	26,965		1	26.965	
Ditto, Paddy	19,783		$0\frac{1}{2}$	9,891	
					86,738
Cotton	3,109	Pls.	20		62,180
Bees' Wax	1,272	Qls.	38		48,336
Avaca, Lapis	371	Pls.	5	1,855	
Ditto, 2d, 967	8,340		$4\frac{1}{4}$	36,915	
Ditto, rope	3,519		$6\frac{1}{4}$	21,993	
					63,463
Cocoa	390	Cabaus	32		12,480
Coffee	1,615	Pls.	15		15,725
Sapan wood	24,826	—	$1\frac{50}{100}$		37,239
Biche de mar	3,385	—	22		74,470
Birds' nests	2,543	Catties			3,814
Sulphur	3,696	Pls.	$1\frac{1}{2}$		5,544
Cocoa-nut oil	11,504	—	$4\frac{1}{2}$		51,768
Ditto ditto rum, value at price paid by government					133,047
Tobacco ditto	57,301	bales	ditto		104,092
Cocoa nuts	945,616		1 per 100		9,456
				Carried forward	1,491,206

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				Dollars.
Brought over..........				1,491,206
Hides, &c.:				
Buffalo	9,640	37½	3,615	
Cow............	2,351	·50	1,175	
Deer	2,376	·15	356	
Tanned	1,983	·75	1,488	
Hoofs	293 Pls.	3·50	983	
Hoofs, deer........	66	8·50	631	
Glue	845 —	2·50	2,112	
Manufactures:				10,460
Cambayas	1,650 Ps.	·75	1,237	
Guinasas........	302,356 —	0·15	45,353	
Canvas	1,562 —	1·00	1,562	
Cotton	36,529 —	·50	18,265	
Midunagues	19,895 —	·16	3,183	
Sinamayes	142,360 —	·25	35,590	
Tapis	10,771 —	·25	2,692	
				107,875
Wheat	1,852 —	1·50		2,778
Ebony............	3,168 —	2		6,336
Wood, timber for shipbuilders, carpenters, &c. value				10,931
Pitch, value 1·50/100 per quintal amounting to				24,292
Rattans				3,373
Mat Bags	30,000	·5		1,500
Pearls	110 lbs.	32		3,570
Cowries	12 millions	6 per m.		6,000
Cattle				8,182
Ground-nuts or beans	3,000 Cabs.	1		3,000
Onions	4,197 Pls.	·50		2,098
Dry Fish........				602
Shark fins	26	20		520
Indigo seed........	57 Cabs.	3¼		183
Garlic	46 Pls.	4		186
Fish oil	71 Jars.	2¼		160
Pork fat	366 —	6		2,196
Hats, furniture, pepper, sago, and biscuit				1,300
Articles of which I do not know the names in English				15,374
Sundries				1,500
Total value in Spanish dollars........				1,703,622

Note.—The above is only the quantity brought into Manilla, and is probably very far short of the actual productions, perhaps one-third; most of it is founded upon estimates which may be quite erroneous in many instances. Their own consumption of sugar, rice, indigo, wax, rum, and tobacco is very great, as well as of all the other articles named herein. The value of rum and tobacco are put down at the prices paid by the government to the natives; they are both monopolies, and are resold at an enormous profit. The government probably receive one million of dollars for those two items; the tobacco, it is true, forms their chief financial resource.

5211. Are the articles of British manufacture purchased by you here for the Americans of equal goodness with articles of the same name purchased by the East-India Company for export to China?—We always contract for the Company's quality, without exhibiting any samples; and when the goods

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are delivered they are examined; if they are faulty, some allowance is made in that respect. We are probably not so particular as the Company.

5212. Do you pay the same price as the Company?—I rather think that we buy cheaper; that the mode of purchasing by the Company exposes them to combination.

5213. In what way?—They advertise for tenders of a certain quantity, of camlets for instance, and I think there is nothing more easy than for the manufacturers of camlets, if they choose (I do not know that they do so), to combine. I should not think it safe to advertise in that way. We go into the open market and buy; each one, being eager to have the whole of our order, will name the lowest price.

5214. The East-India Company reject many articles which you export; do they not upon the whole import into China a higher description of articles than you do?—I should think not as to quality; the dimensions are precisely the same; the goods the same; but sometimes our shipments may have some few imperfections about them, such as stains, or perhaps a piece may have a little imperfection in colour, or something of that kind, which the Company's may not have.

5215. Do you think the Company obtain a higher price for the manufactures they import into China than the Americans do? —I am not aware that they do; I should say not.

5216. It appears by the return, page 53, in these papers before you, that in the years 1816, 1817, and 1818, the tonnage cleared out from the United States for ports beyond the Cape of Good Hope was respectively 35,253, 39,169, and 36,586; and in three years 1826, 1827, and 1828, the tonnage amounted only to 19,070, 17,078, and 14,112; can you explain the causes which have occasioned so very great a diminution in the amount of tonnage clearing out for ports beyond the Cape of Good Hope; and can you state what part of the trade which the Americans possessed beyond the Cape of Good Hope, has failed since the last period?—I should say it might be accounted for on general principles; peace having taken place, the trade naturally went into those channels to which it properly belonged; the Americans having in former times, from their neutrality, carried on a considerable portion of the Indian trade, they continued their expeditions afterwards, and that they found their mistake in about the year 1818; or perhaps the opening the trade to India might have some effect. I do not remember the precise period of that; but the American trade to Bengal is now confined to the consumption of the United States: there are no longer importations with a view to exportation to different parts of Europe; even a portion of their supply of Bengal produce is drawn from London to the United States in a variety of articles. A portion of that tonnage was employed in the

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trade to Batavia; the Dutch have made regulations which have destroyed their trade there; that will account for a portion of it.

5217. It appears by the account at page 28, that in the years subsequent to the opening of the trade with India, namely, 1816-17, 1817-18, and 1818-19 respectively, the tonnage of vessels clearing out from British ports in India for America, was 15,145, 18,003, and 23,944; and that in the three last years, in the years 1824-25, 1825-26, and 1826-27 respectively, the tonnage of American ships clearing out from India for America has been 3,067, 5,743, and 2,389: do you know to what circumstances is to be attributed that great falling-off in the American trade with India since the year 1818-19?—I should attribute the falling-off to the circumstance, that in time of peace all goods must go to the place of consumption in the most economical manner, and that America being a place of small consumption, they can afford to bring only the goods which they want; it will not any longer answer to export the goods to America for the purpose of being re-exported to the European markets, where they will be consumed.

5218. In your opinion, since the opening of the trade with India, the trade for the supply of England and of Europe has been carried on more economically by British ships than it could be by American ships, and the British ships have supplanted the Americans in that trade?—I do not think that will apply exactly so, as the voyage from India to America is so far out of the track. British ships have not gone cheaper, but their voyage is not so long. The regular course of the trade is to London, as the emporium of the world, as the world now stands.

5219. But since the opening of the trade with India to the subjects of England, the British merchant, having supplanted the American in the trade with India, being enabled to supply the demands of England and of Europe at a less charge, do you, from that circumstance, infer that, if the trade with China were equally opened to the British merchant, he would equally succeed in supplanting the American merchant in that trade?—Undoubtedly; the Americans would be driven out of that portion of the trade they now carry on to Europe.

5220. The produce of China would, in your opinion, be conveyed to Europe by British merchants, and not by Americans?—Yes; just so.

5221. Do you conceive that the advantage which the American shipper has at present over the British merchants depends exclusively upon the difference in the cost of navigation?—Perhaps the American merchant, from the experience of the past twenty years, is more a general speculator than the English merchant, and would therefore perhaps for a time manage it rather better than it could be managed by the British merchant; but

so far as the expense of carrying it on, I know of no other difference than that I have mentioned in the difference of navigating the ships that I have spoke of, that it amounted to one-quarter of the freight, which I think I reckoned rather too high.

5222. You conceive that, as far as relates to construction, they are nearly on a par?—I believe a great portion of the tonnage of Great Britain is in ships of bad construction for the times, that cannot carry bulk in proportion to their tonnage, and they are unprofitable in the present improved state of ship-building.

5223. Have you any doubt that were the China trade to be opened to the English merchants, the shipping of the most improved construction would be had recourse to, and with as much advantage as in America?—I have no doubt it would, though I do not think it would be done quite so rapidly; the expence of building is rather greater, which I conceive to be compensated by the lower rate of interest of money; but the cost of a ship is certainly greater than in the United States.

5224. What should you state to be the present difference in the interest of money borrowed for mercantile purposes?—I should say it was fully double in the United States for mercantile purposes.

5225. Do you conceive that the Chinese population would be more or less disposed to an increased consumption of British manufactures than that of Java, Manilla, or other parts of the East with which we have been acquainted?—I have no doubt they would as readily receive foreign manufactures as those of the places named; perhaps it would be more difficult to introduce them; but I have no doubt that they would be eventually introduced.

5226. Do you think it probable that it would be necessary to introduce them by illicit trade, or that the Chinese would be likely to admit them on payment of duties?—I should think it would be the most advisable method to let the merchants follow their own course; they understand their own interests, and they would introduce the goods if it was possible to do so with a profit; whether by regular importations, or by sales from their ships along the coast, would depend upon the profit.

5227. How far is Lintin from Canton?—I think about seventy miles.

5228. There is a considerable smuggling trade carried on, is there not, at Lintin?—In opium there has been; not in other goods to any extent.

5229. What are the advantages possessed by Lintin for the rposes of illicit commerce?—It is a good anchorage; they

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consider that where they lie at anchor, I believe, is without the Chinese limits, and that no one has a right to disturb them.

5230. How, then, are the goods introduced into China from thence?—The opium is introduced from Lintin by water carriage; the boats come alongside and take the opium. I believe it is conducted in this way: a Chinese at Canton, if he wishes to buy opium, pays the money, and receives an order for the opium, which he sends with his boat to take it in at Lintin, and there the transaction is ended.

5231. Are you acquainted with the circumstances of trade having been carried on at any other ports on the Chinese coast?—I have heard that it has been; I have no precise knowledge of it.

5232. Were not American ships permitted to trade at Java when it was in our possession?—They were.

5233. Under those circumstances, had not the British merchants an advantage, generally speaking, over the American?—The British had this advantage, that he could find a great number of persons disposed to adventure and more readily make up a cargo. The American would have to take the whole on his own account; whereas the British cargo would be made up by a greater number of shippers.

5234. The Americans are excluded now from Sincapore, are they not?—I believe they have never had a right to trade there; I believe the ports to which the Americans are allowed to trade in India are all named, and that Sincapore is not named.

5235. Are other ships permitted to trade to Sincapore?—I believe there is no great difficulty in trading to Sincapore; that they go on shore and make their bargains, and go a few miles off to make transfers; that it is done in the same manner as the contracts for pepper are made at Prince of Wales' Island; that the contracts are made there, and the transfer on the coast.

5236. Are the Malays extensively engaged in the trade of those seas?—I believe the Chinese carry on the greater portion of trade in those places at Batavia; I believe the sales of British manufactures there are almost entirely by the Chinese, and at Manilla it is the same.

5237. Do you suppose that, in the event of the Chinese trade being opened to the British merchant, any considerable portion of the trade now carried on by the Chinese would fall into his hands?—I think it probable that there would be a good deal of traffic from one port to another in that quarter, and there is none now; it is a growing trade.

5238. Can you state the expense of construction of ships in China?—I cannot.

5239. You cannot form any opinion as to the comparative freight of Chinese vessels carrying on the trade to the Indian

seas and English vessels?—I think in the Chinese junks each man on board has his investment of goods for the market to which he is going, and his room which he rents. I believe the freight in such cases must be very dear. They only go at particular seasons of the year. British vessels, from their particular construction, would sail frequently against the monsoon in that quarter of the world, so that they would soon destroy any profitable trade by the Chinese.

5240. Are the junks equipped by merchants at Canton, or to whom do they belong?—To the Chinese merchants.

5241. And let out to traders?—They are freighted in that way; letting out different apartments, or so many rooms to this and that person; on return, I believe they take rice and other things, which are differently stowed.

5242. Should you suppose that any apprehension of injury to that trade in China would cause any indisposition on the part of the Chinese to encourage English private traders?—I should think not. My impression is, that this trade is chiefly connected with the Chinese resident at different places to which they go. At Siam, I am told that the number of Chinese junks is altogether 150 or more lying in the river at a time; but there is a great population of Chinese engaged in agriculture and the manufacture of sugar, and those junks bring their supplies, and also emigrants.

5243. Is the trade carried on from hence by the Americans, according to your experience of it, increasing?—Up to the beginning of this year I should say it was increasing.

5244. Both in its total extent and in variety of articles?—I should say the number of articles have increased considerably there have been three or four added to them, to my knowledge.

5245. There are some articles now going out as an export with respect to which you do not wish to state the details?—Just so.

5246. Have you any reason to know that there is any thing in China that precludes them from purchasing any articles that may be suited to their wants or to their tastes?—I am not aware of any regulations to that effect.

5247. And nothing in the disposition or habits of the people?—Nothing that I have ever heard of.

5248. You stated that one of the obstructions to a more extended trade between this country and China on the part of the Americans was, the necessity of American merchants possessing what you describe as a double capital; would the same obstacle apply in the same way to the British merchant carrying on the same trade to Canton?—It would not be carried on in the same way. The American ship-owner is also the merchant. The voyage from hence would probably be one where

10 June 1830. a great number of persons would consign goods for sale in China; and this they would leave more to the house in China

J. Bates, Esq. to direct returns. The object of the American being as well to get back a cargo of teas for the American market, he cannot calculate on his teas if he uses British manufactures. But here I think the constant and regular shipment of British manufactures, with the balance of country trade, would naturally throw more British capital into Canton than would be wanted immediately for investment in tea.

5249. As far as that goes, it would give to the British merchant in the case supposed an advantage beyond that which the American merchant now has?—I should say it would, decidedly.

5250. One of the obstacles to an extended trade on the part of the Americans from hence is the want of adequate returns, is it not?—That applies more particularly to the circumstance that the American ship-owner is a merchant; if he was not it would make no difference; he rather wishes to employ his own ships, and in so doing he makes his returns in teas to the Continent, which comes near to his port of loading, and they probably have not found it their interest to extend their operation beyond the goods that they could make returns to Europe for.

5251. If the consumption on the Continent were materially to increase, that would be an inducement to American merchants to extend their operations, would it not?—It certainly would.

5252. If therefore the American merchant could share in the supply of tea to this country, that would extend his operations?—Certainly.

5253. So that if a British merchant were at liberty to import tea into England for the consumption of England, you conceive that would induce him to extend the exportation of British manufactures in the same way?—It would; he would have a further temptation to increase the exports of British manufactures; he could take in a number of markets in his route; there would be Batavia, Manilla, and Sincapore, without going out of his track. There is a trade between all those places and England, of course; there are always some shipments. But the American has not that advantage; he has no connection there, and of course his voyage is more direct.

5254. You stated that it occasionally happened that the goods you purchased here, which were intended to be of the same quality as those exported by the East-India Company, were sometimes somewhat deficient, or below the contract agreement?—Not to any extent as to quality; there may be faults arising from accident in the manufacture or dyeing.

5255. In that case, when any such deficiency is discovered, the goods are not rejected, but a diminution of charge takes

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place?—A diminution of charge takes place; the goods are made as perfect as possible; for instance, a piece that has a faulty colour, or a stain upon it, a yard would be cut out, and the piece would be invoiced a yard shorter, and of course it would not be exactly of the dimensions of the Company's, but the qualities would be the same.

5256. The quality would be exactly the same?—That is our endeavour; the contracts are, I believe, precisely the same.

5257. Have you ever exported any goods that have appeared on inspection to be somewhat inferior to the quality you have ordered?—Sometimes we are forced to do that where the goods arrive but a few days before the ship is to be despatched; there is no opportunity to return them upon the hands of the seller, and rather than have the assortment incomplete, the goods are sent off; but then it is not an inferiority of great magnitude; it may be to the amount of two per cent.

5258. Do you find any difficulty in the sale of goods which are inferior to that standard?—None that I am aware of; the Hong merchants buy them.

5259. They give you less for them, you having paid less?—I am not aware that they give any less for them; the goods that have those imperfections are packed with those which are perfect; any thing that would not answer, that was found so bad as to occasion its being rejected, would not be sent.

5260. They take their chance of finding some part of the consignment not so good as the remainder?—They take their chance, certainly. But I should mention the mode I adopt in order to examine them: I have a hundred pieces examined by the Company's examiner, and if I find seven out of the hundred imperfect I then examine the whole quantity, perhaps three or four thousand, and put by all that are imperfect; but if there are not more than seven out of a hundred that will not pass, then we should take no account of it; so that we go pretty nearly in our examination on the same principle as the Company.

5261. Do not you ascribe a part of the falling off of the import of tea into the United States of America to the circumstance of the British provinces in North America having within the last three or four years been supplied directly by the East-India Company?—That must have had some effect; but the drawback on the exportation of teas from the United States, imported at less expense than the Company import them, enables them to compete with the Company in the Canadian market. I think there is no difficulty in introducing teas from the United States; still the consumption, of course, must be diminished in nearly the same ratio as the extent of sales by the Company in Canada.

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5262. Has there been more fluctuation in the extent of business carried on by your correspondents' house at Canton than is usual in transactions carried on at such a distance and to such an extent?—There has been. I think they are clever men, and there is more variation where they enter into speculations than otherwise. If they found the price of tea low, they would withdraw from it; if they saw a prospect of gain, they would double their transactions.

5263. Is there any difficulty in carrying on commerce with the outside merchants?—The greater portion of the business of the house to which we have alluded is conducted by outside merchants; in the manufactured silk, that is entirely conducted with the outside merchants.

5264. Have you had reason to rely on the solidity and fair dealing of that class of dealers?—Mr. Cushing, who has resided a long time at Canton, has told me he never had a dispute with any one at Canton; that he never took a receipt for any small payment; and that he never had had a demand made upon him a second time; that it was a place of business where he had had more facilities and less disputes than any other he was acquainted with.

5265. Do you know the difference of freight between American ships of the improved construction and the Company's ships?—I have understood that the Company's freight varies from eighteen to twenty-four pounds; but there are conditions about it. Those conditions, with regard to being under obligation to go as transports, or to have their destination altered, or to take a certain time, embracing a greater length of time than an ordinary charter, should make the freight different from an ordinary transaction.

5266. There are other conditions, as to number of seamen, and so on?—Yes, there are.

5267. Do you know how many tons of tea a Company's ship of 1,200 tons should carry?—I cannot speak with confidence about it; but I believe they usually bring fifteen or sixteen thousand chests of tea, as they are now navigated. A ship of 450 tons, on the construction I have mentioned, would stow 7,500.

5268. In a vessel of 1,000 or 1,200 tons, what is the ordinary difference between the registered and the actual tonnage?—That would depend entirely on the construction of the ship.

5269. Are not the American merchant ships generally better sailers than the English merchant ships?—I should say that for some time past, or up to within a year or two, that has been the case; those ships that were constructed to sail with convoy were calculated rather for burthen than for sailing, and they are heavy sailers; but, as I remarked before, in Liverpool,

where the competition is great, there are ships under the British flag that sail as fast as any Americans, and carry nearly as much, and I do not see that there is much difference.

5270. Can you state the proportion of the difference in the length of the voyage performed by an American ship and an English ship of ordinary construction?—It is impossible to calculate that; there might be one-third or more in the difference of the voyage.

5271. Does not the superior sailing of the American ship depend upon the sharpness of her build in a considerable degree?—It was formerly considered that a ship to sail must be sharp; but latterly that has been found to be a mistake; that a ship to sail requires length, and that she should have sufficient breadth; and that which is required is, that she should have a clean run, that she steer well; and when they apply the requisite quantity of canvass, they find that she sails faster than a sharp ship.

5272. Would not a ship that is built long, and at the same time broad on her beam, measure a large tonnage?—I believe, according to the English and American mode of measurement, they take two-fifths of the breadth of the beam for the hold; it depends therefore more upon the depth of the ship, whether her real tonnage is more than she measures, or whether it is out of the way; I think all those ships upon the improved model are really larger ships than they measure, being deeper.

5273. Are they built round or sharp?—They are built what the seamen term, wall-sided.

5274. Has not the mode of measurement relation to the depth of the hold and bulging sides?—It has not; the breadth of beam determines the measurement depth of the hold. The gain of having them so constructed is, that they carry more burthen, and will sail equally fast with a less quantity of canvass and spars, than the other description of ships.

5275. What number of men navigate a 450 ton ship built at Liverpool?—I am not aware; but I think more by two or three, from the necessity they are under of taking boys.

5276. Do you know how many men are employed in a Company's ship of 1,200 tons?—I believe 120 or 130; but then they have a great variety of duties to perform which an ordinary merchant ship does not require.

5277. What opium was that you purchased in England and sent to Canton this year?—Turkey opium.

5278. Did you ever send any before?—It is a regular business.

5279. Has the export of Turkey opium to Canton increased?—I believe it has very rarely exceeded a thousand chests; it has increased, certainly.

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5280. Are you enabled to state, from your general knowledge of the trade of the East, what effect the monopoly possessed by the East-India Company in the trade with China produces on the trade of the Eastern Islands and of India?—I should say that it is a good deal in the way of it; that it is an obstruction; that it prevents the natural course of trade, which, were it free, would take place; for instance, in the country trade to China they are deprived of the means of remittance to this country or to India. If those who carry on the trade from different parts of India could carry it further on, there would be less loss of freight in ships; a ship which would go from England to Bombay and Calcutta, would go from thence to Canton; but if the ship cannot go from Canton to England, there is a return voyage without profit; while to Canton all the Company's ships go nearly empty.

5281. That affects the trade direct from England to India and China; but what effect does the present monopoly of the China trade produce on the country trade of India and the Eastern Islands?—It so far embarrasses it, that there is everywhere a difficulty, as the trade now stands, to find returns to India or Europe. Formerly it was otherwise; there was an immense amount of specie exported. It is now completely changed; the specie no longer goes to India, but importations of it take place from China by way of Sincapore. Some considerable importations, to the extent of half a million of dollars, are understood to be now on the way; and from Bengal, I understand, very large sums are on the way.

5282. The Company's Factory in China giving to a large extent bills on England for funds supplied to them in Canton, do not the Company practically make those returns to England which are desired by the merchants in the eastern and country trade, and which otherwise might be made either by them or by the British merchant?—If that is the case, there is no doubt the Company make the return which the private-trader would make, and thereby the private-traders are forced to take the Company's bills, which is a disadvantage to them.

5283. Is that injury done to the private-trader the whole extent of injury inflicted on the trade in general by the monopoly of the China trade possessed by the Company?—It is a matter of opinion how far the trade would be extended if the Company's monopoly were to cease. It is my belief that it would be greatly extended; if not, I do not see that any other injury can arise than that of impeding the returns.

5284. The effect of the law being now, that if a merchant trading from England to China desires to make returns, he can only make them through the Company, in your opinion, would the general trade of the East be extended if the merchants trading from India to China were enabled to make those returns

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themselves?—I have no doubt it would; that the hope of gain from tea would rather form an additional inducement to the export of British manufactures, and one acting on the other would increase the trade very much; that it might not always be profitable, but in the end I think it would be.

5285. At present the Company's ship goes to China without a freight and returns with one, and the country trader goes to China with a freight and returns without one?—Precisely so.

5286. Are the regulations of the port of Canton, with respect to the entrance of foreign vessels, very strict?—I believe they are very strict; there is however no difficulty, unless there is loss of life, in which case they are very particular to exact a return.

5287. Are those regulations very rigidly enforced?—I doubt whether they are; persons trading to Canton, I believe, know very little of them; there are edicts published, as we all know, against every thing almost which is improper; against opium, for instance.

5288. Have they not, in point of fact, been considerably relaxed with respect to the Americans?—I am not prepared to say; I can only say that the Americans never had much difficulty in business there; they have always gone on very regularly, and without any embarrassment, except on one or two occasions; in one case, of a man murdering a woman, a temporary difficulty was experienced.

5289. Do you think that if free-traders from this country were suffered to go there they would be exposed to more inconvenience from those regulations?—I think not; the consul would, particularly by notifying the regulations of the port on the arrival of the ship, and pointing out the punishment for a departure from those regulations, I think, prevent any difficulty.

5290. Do you know whether the Americans are in the habit of purchasing at Canton a considerable quantity of any species of tea which is not purchased by the East-India Company?—I believe they purchase a much greater quantity of the higher qualities of green tea in proportion to the whole shipment on American account than the Company; but I believe you may buy all descriptions of tea in London, though I suppose the quantity is small at some of the higher prices.

5291. Is there any considerable quantity of tea of inferior description purchased by the Americans, and that is rather rejected than otherwise by the Company in the market of Canton?—I believe that, generally speaking, the tea shipped by the Americans is not so good as that shipped by the Company; there is a portion of as good tea shipped by the Americans; but with tea, as with every thing else coming to this country, the duty forms so large a proportion of the price, that any

10 June 1830. thing very inferior would not be likely to be brought here for consumption.

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J. Bates, Esq.

5292. Do you conceive that the Americans, having an opportunity of selecting the superior species of teas, choose the inferior, as finding them more marketable?—More profitable to them; that is the reason, I presume.

5293. When they were in the habit of supplying foreign Europe with tea, do you know what quality they chiefly introduced into Europe?—I can state what the shipments were for one year, presuming that the assortments suited to the market—the year 1828-29.

5294. The question referred to the period when they were in the habit of supplying foreign Europe more largely than they do at present?—I presume that the assortment has been very nearly the same, but I cannot speak precisely to that; it has not occurred to me to examine whether there is more fine tea now consumed in Europe than formerly. I can give it only for the year 1828-29. An assortment of 35,000 chests was divided into 1,500 bohea, 10,600 congou, 4,642 campoi, 1,074 souchong, 2,040 pekoe, 3,276 hyson, 2,340 hyson skin, 3,449 twankay, 2,388 young hyson, 577 imperial, and 434 gunpowder.

5295. Do you not think that if it is a fact that the manufacture of spurious tea is carried on in this country to advantage, that affords strong ground for presuming that the market is insufficiently supplied with genuine tea of the inferior quality?—I should draw the inference from it, that the sale price to the consumer was too high.

5296. Do you happen to know what articles of woollen manufacture imported by the Americans have been most in demand in China?—The Company's woollens or the Company's cloths. A species of ladies' cloth—broad cloth—they have imported the same; and there are a species of coarse woollen called long ell; and the camlets, which is a worsted stuff.

5297. Have you reason to believe there is an increasing demand for those articles?—Perhaps less for those articles; I believe it is increasing, but very slowly.

5298. As far as you had an opportunity of observing, do you think that the Chinese population attend most to the cheapness or to the durability of the article that they purchase?—I think they would attend to the durability; they are very exact judges of quality.

5299. Is it a fact that the articles of cotton which are manufactured by them are found to be more durable than European manufactured articles?—Hitherto, I believe, the nankeens of China have been thought to be superior; but I believe that the difficulty in the competition is now overcome; that nankeens

may be by and by carried to China, and that they would fetch the prices we are in the habit of paying for them at Canton now; the French make nankeens now superior to the Chinese. 10 June 1830. — J. Bates, Esq.

5300. Have you reason to think that much of the loss that has been experienced by the Americans in the Chinese trade has been owing to persons of insufficient capital engaging in it, and experiencing in the first instance great gains?—That is the view I take of it; that the persons who have failed in business (and there have been several failures) engaged without sufficient means; they took up money, some of them on respondentia, and thereby after a successful year they extended their operations; and when a reverse came, with the state of things that took place here, which affected things in every other country, they were overtaken, and were of course ruined.

5301. Is there a considerable export now of manufactures from hence to Java, as well as to Manilla?—There is even now, although the regulations there are much in favour of Dutch manufactures.

5302. Do you happen to know of any American vessel that has lately gone out to China with a very considerable cargo of manufactured goods?—Our house despatched one with a very large cargo within a month.

5303. Can you furnish the Committee with an account of that shipment?—There was the usual quantity of woollens—no cotton goods—amounting to about £55,000, and I think about £100,000 value in opium; probably five or six thousand in metals and other articles.

5304. Can you state the average rate of duty paid in America on teas?—The duty in the United States on tea from China is, on bohea, twelve cents; on souchong and other black, twenty-five cents; hyson and young hyson, forty cents; hyson skin and other green, twenty-eight cents; imperial and gunpowder, fifty cents.

5305. Does that amount to fifty per cent. on the average?—It amounts to more than fifty per cent.; it amounts to seventy-five per cent. on a middling quality of tea.

5306. Do not the Americans occasionally buy green teas at the highest price?—I believe they buy the highest quality of green tea generally.

5307. Are you aware that they give high prices which the Company would not think themselves justified in going to?—I believe they pay very high prices for green tea, the supply being probably short.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till to-morrow, One o'clock.

Die Veneris, 11° *Junii* 1830.

The LORD PRESIDENT in the Chair.

Mr. CHARLES EVERETT is called in, and examined as follows:

10 June 1830.

Mr. C. Everett.

5308. WHAT is your profession?—I am an American merchant.

5309. Are you an American?—I am.

5310. Are you a commission merchant?—I am.

5311. A commission merchant only?—Yes.

5312. Have you, in that capacity, been engaged in the export to China of British manufactures on American account?—I was the first to ship on the account of Americans; and commenced the business in 1818, and continued it till the end of 1828.

5313. Have you now ceased to conduct that business?—Yes, I have.

5314. Were you engaged extensively in the export of British manufactures on American account?—To China I have shipped to a large amount.

5315. Have you with you any statement of the amount you have shipped at different times?—I have a statement, marked (A.), of the amount, the dates of the shipments, and the quantities by each vessel.

5316. Have the goodness to deliver in the same.

[*The witness delivers in the same, and it is read, and is as follows:*]

(A.)

A STATEMENT of the Amount and Date of the SHIPMENTS of BRITISH MANUFACTURED GOODS purchased by CHARLES EVERETT, for the CHINA TRADE on AMERICAN ACCOUNT; distinguishing the QUANTITIES and VALUE of the leading Articles of Cottons and Woollens; from 1818 to January 1829.

	Packages.	Pieces.	£. s. d.	£. s. d.	£. s. d.
Ophelia:		Canton:			
July 1818 ..	9	58 cloths		1,136 8 11	
Roxana:		Boston:			
Sept. 1818 ..	4	29 cloths		672 18 3	
					1,809 7 2
Augusta:		Gibraltar and Canton:			
July 1819 ..	68	1,344 bombazetts	3,662 5 6		
	1	20 camlets....	144 2 0		
	75	1,500 long ells ..	4,607 14 0		
	33	200 cloths	1,718 5 0		
				10,132 6 6	
Ophelia:		Canton:			
Dec. 1819 ..	8	80 camlets....	585 3 9		
	264	1,824 cloths	15,170 4 8		
	10	200 long ells ..	561 0 0		
				16,316 8 5	
					26,448 14 11

(*continued*)

	Packages.	Pieces.	£.	s.	d.	£.	s.	d.	£.	s.	d.
Robt. Edwards:		Canton:									
March 1820..	286	2,867 camlets....	20,571	0	5						
	50	1,000 bombazetts	1,641	15	8						
	141	2,820 long ells ..	7,865	8	2						
	150	786 cloths	6,518	19	7						
	2	100 cottons....	191	5	2						
						36,788	9	0			
Canton Packet:		Gibraltar and Canton:									
May 1820 ..	100	1,000 camlets....	7,042	8	8						
	205	4,100 bombazetts	9,139	6	6						
	6	24 cloths	208	15	10						
	9	180 long ells ..	505	16	10						
	80 •	1,388 cottons....	2,492	5	0						
						19,388	2	10			
Houqua:		Canton:									
July 1820 ..	180	3,600 bombazetts	8,333	2	8						
	84	839 camlets....	5,486	14	10						
	54	1,080 long ells ..	3,074	18	2						
	117	702 cloths	5,330	18	4						
	20	2,000 cottons....	1,378	13	9						
						23,604	7	9			
Augusta:		Canton:									
Nov. 1820 ..	20	670 cottons....	1,766	6	5						
	554	4,540 camlets....	30,277	9	2						
	130	2,700 bombazetts	5,927	10	7						
	330	1,982 cloths	17,169	13	6						
	74	1,480 long ells ..	4,159	17	6						
	20	sundries........	557	7	5						
						59,858	4	9	139,639	4	4
Cordelia:		Canton:									
Jan. 1821....	305	7,235 cottons....	8,156	7	6						
	23	238 camlets....	868	7	5						
						9,024	15	1			
Nautilus:		Canton:									
April 1821 ..	113	1,125 camlets....	7,817	12	2						
	130	2,600 bombazetts	7,084	17	1						
	177	3,540 long ells ..	9,394	17	6						
	552	3,570 cloths	33,927	16	4						
	227	6,800 cottons....	7,967	2	1						
	32	sundries........	1,741	6	2						
						67,933	11	4			
Ophelia:		Canton:									
Aug. 1821 ..	169	5,836 cottons....	8,836	19	7						
	20	400 bombazetts	1,090	18	5						
	5	100 long ells ..	321	14	2						
	150	1,500 camlets....	9,959	17	6						
	50	sundries........	3,023	0	0						
						23,232	9	8	100,190	16	1
Clarissa:		Batavia:									
March 1822..	172	8,590 cottons....	8,154	17	1						
	26	240 cloths	1,770	9	6						
	20	400 long ells ..	957	1	6						
	32	sundries........	2,469	9	4						
						13,351	17	5			
Canton Packet:		Canton:									
Sept. 1822 ..	230	2,300 camlets................				15,116	5	0			
									28,468	2	5

(continued.)

	Packages.	Pieces.	£.	s.	d.	£.	s.	d.	£.	s.	d.
Levant:		Canton:									
March 1823..	50	500 camlets....	2,972	12	8						
	210	4,800 long ells ..	8,209	3	3						
	48	2,730 cottons....	3,705	3	0						
	76	586 cloths	5,459	6	10						
	40	sundries........	2,089	19	2	24,436	4	11			
Augusta:		Canton:									
May 1823....	291	5,820 long ells ..	12,413	7	0						
	207	1,720 cloths	9,352	12	6						
	89	5,284 cottons....	7,485	16	8						
		100 tons iron ..	1,181	14	4						
	138	sundries........	5,637	15	2	36,071	5	8			
London Packet:		Boston:									
July 1823....	50	1,000 long ells ..	2,244	9	5						
	10	100 camlets ..	561	11	4						
	28	sundries........	1,612	4	10						
Via Liverpool:	40	400 camlets....	2,122	5	2	6,540	10	9	67,048	1	4
Duseburg:		Boston:									
Feb. 1824....	25	1,148 camlets............ ...				1,329	17	10			
Houqua:											
Aug. 1824 ..	392	23,250 cottons....	21,499	13	0						
	186	3,660 long ells ..	7,440	9	0						
	40	400 camlets ..	2,430	11	8						
	391	2,640 cloths	20,521	0	11						
	41	sundries........	1,212	10	6	53,104	5	1			
Nautilus:		Canton:									
Dec. 1824 ..	150	1,500 camlets....	8,726	3	0						
	404	2,840 cloths	23,149	2	1						
	110	2,200 long ells ..	4,224	4	4						
	559	28,662 cottons....	28,085	18	8						
	177	sundries........	7,061	12	9	71,247	0	10	125,681	3	9
London Packet:		Boston:									
Feb. 1825....	10	900 cottons				443	0	0			
Via Liverpool:		Boston:									
April 1825 ..	81	6,583 cottons................				5,918	2	2			
Ocean:		Boston:									
May 1825 ..	25	500 long ells				1,047	11	0	7,408	13	2
Houqua:		Manilla:									
Feb. 1826....	379	28,087 cottons....	22,525	19	2						
	20	220 cloths	2,059	17	2						
	5	100 long ells ..	206	0	0						
	5	50 camlets....	350	0	0						
	2	50 bombazetts	145	9	2						
	17	sundries........	1,826	17	10	27,114	3	4			
Nautilus:		Canton:									
July 1826....	206	2,060 camlets ..	13,105	17	0						
	363	2,208 cloths	29,020	2	6						
	448	20,890 cottons....	23,192	1	4						
	90	1,800 bombazetts	5,120	0	6						
	75	sundries........	6,927	4	2	77,365	11	6			

About £80,000 value of the cargoes of the Nautilus and Houqua were purchased in 1825, and the shipments delayed until 1826.

(continued.)

	Packages.	Pieces.	£. s. d.	£. s. d.	£. s. d
Milo:		Canton:			
July 1826....	483	3,020 cloths	20,699 2 2		
	100	2,000 long ells ..	3,941 10 6		
	40	4,000 cottons....	1,290 4 9		
				25,930 17 5	
Danube:		Canton:			
Aug. 1826 ..	558	3,588 cloths	23,881 8 6		
	20	200 camlets....	1,200 0 0		
	289	12,528 cottons....	9,543 18 1		
	25	sundries........	3,209 14 3		
				37,835 0 10	
					168,245 13 1
Milo:		Canton:			
Aug. 1827 ..	204	11,258 cottons....	11,990 8 1		
	50	500 camlets....	4,333 12 2		
	84	508 cloths	3,219 16 11		
	13	sundries........	1,441 18 4		
				20,985 15 6	
Houqua:		Canton:			
Sept. 1827 ..	399	32,690 cottons....	17,629 8 1		
	70	700 camlets....	3,802 19 10		
	16	sundries........	3,278 12 8		
				24,711 0 7	
					45,696 16 1
Dorchester:		Boston:			
Feb. 1828....	7	sundries....................		2,025 8 0	
Augusta:		Canton:			
April 1828 ..	140	7,000 cottons....	7,116 17 2		
	120	1,200 camlets....	6,376 2 6		
	24	sundries........	2,697 19 2		
				16,190 18 10	
Nautilus:		Canton.			
July 1828....	150	1,500 camlets....	7,808 2 6		
	196	1,300 cloths	10,835 4 0		
	45	900 bombazetts	1,838 17 6		
	100	2,000 long ells ..	3,347 6 6		
	142	10,095 cottons....	6,414 2 11		
	92	sundries........	3,021 11 6		
				33,265 4 11	
					51,481 11 9
	14,392	*Packages.*			762,118 4 1

The table (A) shows the whole amount of manufactured goods that have been shipped from this port since the commencement of January 1829, excepting about £6,000 woollens and £2,000 cottons.

I commenced the business in 1818, and continued it until 1828. Since that time the shipments have been continued by my late employers, through Messrs. Baring, Brothers, and Co.

11 June 1830.

Mr. C. Everett.

The subjoined supplement to the above account continues the same, and was delivered in by Mr. JOSHUA BATES, partner in the House of Baring and Co., pursuant to the directions of this Committee.

MEMORANDUM of SHIPMENTS to CHINA, on Account of Americans, by the House of BARING and Co.

1827	Cottons	£35,580
	Woollens	16,930
	Iron	3,280
	Copper	3,120
	Quicksilver	4,500
	Cochineal	3,280
	Opium	13,370
	Linens, Watches, Tin Plates, Spanish Dollars, &c.	2,380
		£82,440
1828	Cottons	£24,740
	Woollens	31,070
	Opium	39,000
	Iron	3,440
		£98,250
1829	Cottons	£34,600
	Woollens	97,720
	East-India Cotton, Raw	6,060
	Iron	5,920
	Lead	2,670
	Steel	500
		£147,470
1830	Cottons	£6,029
	Woollens	41,641
	Iron and Steel	947
	Opium	83,699
	Trunks, Clocks, Carmine, &c.	1,214
		£133,530
		36,301
		£169,831

5317. Is the export of woollens from this country to China on American account a new branch of trade?—It has been carried on by myself since 1818. Previous to that time the goods could not be sent, on account of the prices being too high; there were some orders received, but which were not executed.

5318. Previous to that period, what were the chief exports of the Americans to Canton?—I cannot say exactly; but it was in specie, iron, lead, &c.

5319. Were there any manufactured goods exported?—None by the Americans.

5320. Do you mean none from this country?—None from this country; and I do not know of any from America. I was not much acquainted with the trade till 1818, and my knowledge of it is confined principally to manufactured goods.

5321. You are not aware of any exports from America to Canton previously to the year 1818, with the exception of dollars?—No.

5322. By that account you have given in, does it appear that the export of woollens and cottons from this country has increased during the period to which that account refers?—It has in quantity; the fall in goods has been so great that the amounts do not appear so much increased as the quantities have been. I have a statement, marked (C), which will show the value of the leading articles at different periods, compared with the value of the same qualities in 1820. One hundred pounds would purchase double the quantity of woollens that it would in 1820.

5323. Have the goodness to deliver that in.—There was a considerable decline previously to 1820, which I did not notice, as I wished to make a calculation from a date when goods were about one hundred per cent. above present prices.

[*The witness delivers in the same, which is read, and is as follows:*]

(C.)

A STATEMENT shewing the Value of *Long Cloths*, *Camlets*, and *Broad Cloths*, compared with the Prices of the same Qualities at different Periods, from 1820 to 1830.

Long Cloths.

In 1821	were	2½	to	5	per cent. less than 1820.
1822	—	5	—	7½	—
1823	—	10	—	15	—
1824	—	20	—	25	—
1825	—	12½	—	15	—
1826	—	30	—	35	—
1827	—	35	—	40	—
1828	—	40	—	45	—
1829	—	45	—	50	—
1830	—	47½	—	50	—

11 June 1830.

Mr. C. Everett.

Camlets.

In 1821	were	5		per cent. less than 1820.
1822	—	10	to 0	—
1823	—	12½	— 15	—
1824	—	15	— 20	—
1825	—	10	— 12½	—
1826	—	17½	— 20	—
1827	—	25	— 30	—
1828	—	30	— 33	—
1829	—	37½	— 40	—
1830	—	42	— 45	—

Broad-Cloths, suitable for the China Trade.

In 1821	were	5	to 7½	less than in 1820.
1822	—	7½	— 10	—
1823	—		— 10	—
1824	—	12	— 15	—
1825	—	5	— 10	—
1826	—	35	— 40	—
1827	—	40	— 42½	—
1828	—	42	— 45½	—
1829	—	45	— 47½	—
1830	—	47½	— 50	—

Long Ells at 55 per Cent. lower than in 1820.

It appears from this Table that double the quantity of manufactured goods can now be purchased for the same sum paid in 1820; therefore, to form a correct estimate of the increase of the exports to China or elsewhere, it will be necessary to compare with the quantities, and not the value of the shipments.

5324. Is the paper you have delivered in formed on your own exports to China?—The calculations are as accurate as I could make them from actual purchases and from the invoices.

5325. Are you able to deliver in a statement of what those exports have fetched in China in those several years?—No, I am not.

5326. Are you aware whether there has been a proportionable diminution of the price of those articles in China?—I do not know what the goods have actually brought in China.

5327. Have you any knowledge generally of the profit which has been made upon those exports?—I have no knowledge of the prices they have brought, nor the profits on them; only I presume the shipments have been profitable, as the export has been continued up to the present time. There is one large shipment gone within six weeks.

5328. Your accounts refer to your own exports?—They do.

5329. Are you aware whether general exports of British

manufactures to China, on American account, have increased in the same proportion?—The documents from Messrs. W. and J. Brown and Co.'s house, and that of Messrs. Baring and Co., added to mine, will shew nearly the whole amount; so that the Committee can form their own conclusions from those accounts.

5330. You think the exports are confined to those three houses?—I think they are.

5331. Do you think that any proportion of those exports from this country has been sent on British account?—Not any by American vessels.

5332. Are you aware whether any such exports have taken place?—None that I know of, except by Company's vessels; and those were small shipments by the pursers and officers.

5333. There have been none by individuals, so far as you are aware?—None.

5334. Could not a shipment for China have been effected by a British merchant in an American ship?—Yes.

5335. You have no reason to suppose that has been done?—I do not know of any shipments by vessels direct to Canton. There is one shipment now preparing, which I suppose to be on British account.

5336. Is that to a large amount?—To a considerable amount.

5337. Have not the Americans possessed, for several years, the same facilities for exporting manufactures to China which, if the trade was opened, would be possessed by British merchants? —I think they have.

5338. Have they more?—They are perhaps better acquainted with the China trade than British merchants.

5339. Can they export, in your opinion, British manufactures to China at a smaller expense than they could be exported by British merchants?—That depends on the management of the ships. American vessels are sailed at less expense, and there is less parade.

5340. Is that the general character of their shipping?—Yes; and the captains are actually sailing masters, and always on the alert, and urging despatch.

5341. Do you think that, in the event of opening the trade, the Americans would still retain that export of British manufactures to China which they now possess; that they would be able to undersell, in that trade, the British merchant?—They would have the same advantage that they have at present, knowing the trade better than the British merchant.

5342. Do you think they would undersell the British merchant, and keep that trade to themselves?—It depends on the

11 June 1830. management of the British merchants; no doubt they are competent to carry it on.

Mr. C. Everett.

5343. You stated that the American ships sail at less cost than the British ?—The British merchant might employ an American vessel.

5344. But unless he did that, he could not, in your opinion, convey his goods to China at so small a cost as the American ?—No, I think not.

5345. Then, unless he adopted that course of conveying his goods to China, you think that the Americans, after the opening of the China trade, would keep that trade to themselves ?—Unless the British system is altered, and they could undersell the Americans. The American vessels are built for less money, and they take a less number of men; the captains have no servants; there is not the style that we see on board an English ship.

5346. The Americans having had for several years the power of exporting British manufactures to China, do you not imagine that they have carried their exports to as great an extent already as, under the circumstances which have taken place, they could have been carried to had it been in the hands of British merchants ?—By no means; if it had been an open and free trade it might have been increased (in my opinion) very much. Indeed, the capital of the houses that have been engaged in it is not sufficient to carry all the goods which might have been taken.

5347. Had it been a very profitable trade, do you not think more capital might have flowed into it ?—It is possible it might; but there but few that have been acquainted with it; there have been two or three houses concerned in the shipments.

5348. You are probably aware that the nature of the trade at Canton has been perfectly well known, and made public for many years, and that peculiar facilities exist in the port of Canton for carrying on trade ?—Yes, that is certainly the case; but the Americans have not that capital to put into long voyages that will be found in England.

5349. Had the trade been very profitable, do you not imagine the Americans would have found capital to have carried it on to a greater extent—that they would have borrowed capital ?—They may not have been aware that it has been profitable.

5350. If that had been the case, however, do you think it would have become known ?—I cannot say.

5351. Do you think the making a great profit in any one line of trade can long remain a secret from merchants in general ?—Yes; that the assortment of the goods, and where they are to be procured, is not generally known: and there is no reason

why every merchant should know it. For instance, no one would know what assortments of goods I ship without looking at my books.

5352. In your opinion, the China trade is capable of much greater extension than has been hitherto given to it, provided greater capital were employed?—Yes.

5353. What articles of export do you apprehend are the most profitable?—Cottons and woollens.

5354. What has been the amount of profit on cottons and woollens, you do not know?—No.

5355. But you are disposed to think that the greatest profit could be made upon them?—Yes, of the English manufactures.

5356. Are you aware that the East-India Company state that they have lost on the exports of their cottons and woollens?—I have heard so.

5357. Can you understand how that has taken place?—It is owing perhaps to their giving more for them, and to the expense which attends their movements.

5358. In what part of their trade is that extraordinary expense of which you speak?—I believe it extends through the whole system. Large bodies cannot act with that prudence and economy which individuals can.

5359. It continues from the purchase of the goods to the ultimate sale of the returns?—Yes. I think their shipments have been about £800,000; and I have shipped myself to China and America, five or six years in continuation, £200,000, with the assistance of a few clerks. They maintain an immense establishment for the purpose.

5360. Has the exports of British manufactures to China been doubled in quantity since the year 1821?—The statements I have handed in, when compared with the reports from those three houses to which I have referred, will show your Lordships that exactly.

5361. Have you an account shewing the quantities of each article, and the amount of shipments?—I have.

[*The same is delivered in and read, and is as follows:*]

(B.)

Date	CLOTHS.		CAMLETS.		LONG ELLS.		COTTONS.		SUNDRIES.	TOTAL.
	Pieces.	Value.	Pieces.	Value.	Pieces.	Value.	Pieces.	Value.	Value.	
		£. s. d.		£. s. d.		£. s. d.		£. s. d.	£. s. d.	£. s. d.
1818	87	1,809 7 2	—	—	—	—	—	—	—	1,809 7 2
1819	2,024	16,888 9 8	100	729 5 9	1,700	5,163 14 0	—	—	3,662 5 6	26,448 14 11
1820	3,494	29,228 7 3	9,246	63,377 13 1	5,560	15,605 10 10	4,158	5,828 10 4	25,599 2 10	139,639 4 4
1821	3,570	33,927 16 1	2,863	18,645 17 1	3,640	9,716 11 8	19,871	24,960 9 4	12,940 1 8	100,190 16 1
1822	240	1,770 9 6	2,300	15,116 5 0	400	957 1 6	8,590	8,154 17 1	2,469 9 4	28,468 2 5
1823	2,356	14,811 19 4	1,000	5,656 9 2	11,620	22,866 19 8	8,014	13,190 19 8	10,521 13 6	67,048 0 4
1824	5,480	43,670 3 0	3,048	12,486 12 6	5,860	11,664 13 4	51,912	49,585 11 8	8,274 3 3	125,681 3 9
1825	—	—	—	—	500	1,047 11 0	7,483	6,361 2 2	—	7,408 13 2
1826	9,036	75,660 10 4	2,310	14,655 17 0	2,100	4,147 10 6	65,500	56,552 3 4	17,229 11 11	168,245 13 1
1827	508	3,219 16 11	1,200	8,136 12 0	—	—	43,948	29,619 16 2	4,720 11 0	45,696 16 1
1828	1,300	10,835 4 0	2,700	14,184 5 0	2,000	3,347 6 6	17,095	13,531 0 1	9,583 16 2	51,481 11 9
	28,095	231,822 3 6	24,767	152,988 16 7	33,380	74,521 19 0	226,571	207,784 9 10	95,000 15 2	762,118 3 1

The above is a Statement of the Quantity and Value of each Description of Manufactured Goods purchased by Charles Everett for the China Trade, from 1818 to 1828.

5362. By that statement it appears that in the year 1820 the number of pieces of cloth shipped was 3,494; in the year 1821, 3,570; it appears by another statement of yours, that since those years the price of cloth has been diminished nearly fifty per cent.; but in the year 1827 it appears that only 508 pieces of cloth were exported, and in the year 1828 only 1,300; can you explain from what circumstance that arose?—They may have been in part of finer cloth by the early vends.

5363. Does that appear on reference to the comparative prices?—There is certainly a great irregularity in the quantity shipped. Of those shipments in the year 1826 one-half of the goods were bought in 1825.

5364. Will you look to the article of camlets; that appears to have diminished in price from forty-two to forty-five per cent. since the year 1821; and the number of pieces of camlet exported in the year 1820 was 9,246; in the year 1821, 2,863; whereas in the last two years, notwithstanding the great diminution of price, the number in 1827 was only 1,200, and in 1828, 2,700; can you account for that?—It may have been that there were too many of them sent the year previous.

5365. In the year 1826 it appears that only 2,310 were sent, and that in the year 1825 none at all was sent?—The shipments in 1825 were delayed till 1826.

5366. The shipment of 1826, which is 2,310, must be divided then between the two years 1825 and 1826?—Yes, it should be so divided.

5367. On a comparison of the shipments of the two last years and the shipment in 1821-22, it would appear that the shipments had fallen off, notwithstanding the diminution of price?—That would appear by this document only; but if your Lordships refer to the shipments of 1829 and the present year, there has been a much greater quantity of camlets shipped than at any former period.

5368. Can you complete this account to the year 1829?—The house of Baring and Company have continued the shipments for the same parties, and their accounts, with Messrs. Browns' statement, will complete the account of American shipments.

5369. If you refer to the article of long ells, in the year 1819 seventeen hundred pieces were exported; in 1820, 5,560; in 1821, 3,640; the prices of long ells appear to be fifty-five per cent. lower than they were in 1820, notwithstanding that in 1826 there are only 2,100 pieces exported, in 1827 none at all, and in 1828, 2,000; in what way do you account for that, supposing the exports to have been profitable?—Perhaps there were none in the market when the orders arrived, and I took

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other goods. You will find from Baring and Company also, that a great quantity of ells were sent in 1829 and 1830.

5370. The export of cotton appears to have largely increased?—Yes. Many of your Lordships' questions may be answered by the fact of the orders having been executed at very short notice, and such articles bought as could be furnished within a certain time.

5371. It appears that, with the exception of cotton, the articles were smaller in amount than in the year 1820?—Mr. Baring's shipments being added to mine, will shew that the whole export of those articles has been increased.

5372. The export of British goods on American account from this country having, according to your account, increased very largely during the last three or four years, how do you account for the diminution in the sale value of merchandize imported by Americans into China in the course of these three or four years, 1824-5, 1825-6, and 1826-7?—That may be accounted for by the cargoes having been sent to Manilla or elsewhere after touching at Lintin.

5373. The account to which the question refers, which is No. 25 of the papers presented to Parliament in the year 1829, refers to the sale value of merchandize actually imported into China. By that it appears, that in the year 1824-5 the sale value was 2,439,545 dollars; in 1825-6, 20,050,831 dollars; and in 1826-7, 20,002,549; thus shewing a gradual decrease in the value of the merchandize imported into China by the Americans in those three years; if the exports of British manufactures has increased in those three years, in what articles do you apprehend that the export of the Americans has fallen off?—I cannot answer that question exactly.

5374. You have no knowledge of the trade of the Americans, except that part which has fallen into your own hands?—No, I have not.

5375. In what manner have you purchased your cottons and woollens for your American constituents?—I have bought them generally by samples, and by personal inspection of them.

5376. Not by contracts?—Sometimes by contract, but not by tender.

5377. You think that is an uneconomical mode of transacting business?—It is the worst way, in my opinion, that business can be transacted.

5378. Where a business is of very great extent, do you think it would be equally well conducted without tender?—Yes, certainly I have shipped to America and China altogether, as before-mentioned, two hundred thousand pounds a year, which is one-quarter part of the East-India Company's purchases of goods.

5379. Going into the market as you do, do you apprehend that you obtain as good an article as the Company at as low a price?—Yes, certainly.

5380. When there is any inferiority in any part of the articles you receive, do you reject them?—We reject them, or buy them at a lower price.

5381. Should you say generally the articles you have exported are of as good quality as the articles exported by the Company?—The articles of cloths and camlets are in my opinion better than those the Company have usually sent out; the cloths have been decidedly better.

5382. Have you any means of knowing at what prices the Company have purchased?—No. I have seen some minutes of their contracts.

5383. When you have seen minutes of their contracts, have they in your opinion paid too high a price?—They have paid higher prices than I have done.

5384. Have you had an opportunity of comparing their article with yours?—They have been compared in the China market.

5385. Have they fetched a higher price?—My camlets and cloths have been preferred to the Company's. I have never had any complaint in the long ells; but I knew them to be inferior, as I selected them from rejected goods principally.

5386. If the Company, exporting better long ells than you have done, have lost upon that export, and you, having exported rejected goods, have made a profit, would it not appear that the Company have exported goods of too fine a description for the market?—No; the finer the goods the better, if the prices are in proportion.

5387. Is the general demand for the China market for the finest description of goods?—The finest description of goods I have found answer best; that is, the finest spun articles and useful qualities. The long ell is a very firm stout article, and will wear better than any fabric I am acquainted with in woollens to be had for the same price.

5388. Have you exported various sorts of cotton goods to China?—I have sent in quantity only a few kinds.

5389. Have you sent on speculation any new species of goods?—I have sent samples repeatedly.

5390. Have they succeeded as you have understood?—Some have, and some have not.

5391. Have you been desired to export many of those articles you have sent on speculation?—Yes, several.

5392. To any extent?—There is one article to a great extent I have had manufactured in Leeds.

5393. What is the nature of that article?—Bombazetts. I

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sent one bale, and received back £120 clear profit; and there were orders returned for about 10,000 pieces, and many more would have been shipped if they could have been made all of a particular colour; such orders were not executed.

5394. Do you know what is the commission charged on the sale of goods at Canton?—I believe five per cent. is the usual charge at Canton; but my employers had a partner residing there.

5395. What is the commission usually received by merchants in this country for purchases for American houses?—Two and a half per cent.

5396. Do you act under instructions from the merchants of America, or from houses in this country?—I have acted under the order of houses here in purchasing for China, and by direct orders from America.

5397. Under the orders of what houses do you act?—The orders, in the first instance, were received through Williams and Company, and they now continue through Baring and Company.

5398. You have acted rather as broker for the purchase of the articles?—The orders have in some instances been direct to me; but I have always been acting under the direction of the houses here, who are the banking agents for the parties in America, and control the sales of the return cargoes on the Continent.

5399. You have yourself inspected the goods?—Yes, I have.

5400. Do you go yourself into the country for the purpose of selecting them?—Whenever it is necessary.

5401. Has any improvement taken place in the manufacture of woollens and cottons of England within the last ten years?—Yes, there has been great improvements in cloths.

5402. The article is better, as well as cheaper?—The goods are more even and better finished by the machinery. There has been a machine introduced for shearing, which was previously done by shears, but is now done by a revolving apparatus, or spiral shears.

5403. Have you at all calculated how much per cent. more the best goods now would have fetched in the year 1820 than the best goods manufactured at that time?—The calculations I have given refer always to the same quality of the same article. I have duplicate patterns of former purchases to compare with the present.

5404. In consequence of the great improvement in the quality of some of the articles, the best article will not have fallen in price quite as much as appears in this statement?—In the calculation in the statement (C.) I always refer to the same description of goods which were bought in 1820, and speak of

the same quality of each article in the subsequent years. There have been improvements in the manufacture, and those improvements have assisted in reducing the prices.

5405. Is it possible now, not only to purchase the same article, an article identically the same as that you would have purchased in 1820 for half the price, but for half the price do you actually get a better article?—No; the same article.

5406. Do you apprehend that the improvement in the quality of the article has tended to increase the demand in China?—The article shipped has been about the same.

5407. Then the more improved articles have not been shipped?—Yes; better finished.

5408. They are of the same quality, better finished?—Yes.

5409. For half the price now you can furnish the same article you furnished in the year 1820; but that article will be better finished than it was in the year 1820?—Yes.

5410. Do you mean that they are more durable?—The cottons are made more even by the steam loom; and cloths finer spun, and finished better, by the improvements in machinery.

5411. Can you state whether the Americans procure woollens and cotton goods anywhere else to export to Canton besides those they procure from England?—They procure them from the United States also.

5412. Have you a statement of the quantities they have exported from America of their own manufacture?—I have.

[*The witness delivers in the same, and it is read, and is as follows.*]

An Account of the Value of Foreign and Domestic Cottons, Woollens, and Metals exported from the Ports of the United States of America in the years ending the 30th September 1827 and 1828, extracted from a General Statement respecting the Import and Export of Merchandize, printed by Order of Congress, February 10th 1829.

—	1827.		1828.	
	Foreign.	American.	Foreign.	American.
Woollens	19,264	—	7,210	—
Cottons	76,274	9,388	204,789	14,981
Cotton Twist	—	—	3,574	—
Iron in pigs, bars, and sheets	3,398	4,250	11,885	—
Copper in pigs and sheets	4,114	—	11,819	—
Tin plates	3,570	—	2,056	—
Lead	178,131	—	69,051	—
Value in dollars	284,751	13,638	313,384	14,981

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5413. Have you any reason to suppose that they have procured woollen manufactures for the purpose of exporting to Canton from any other country in Europe besides England?—No.

5414. Has the quantity exported from the United States increased in the same proportion with the quantity exported from this country?—I believe there have been very few goods sent from the United States recently. I have not heard of any.

5415. Are you upon the whole inclined to believe that the exports from the United States will become greater or less, as compared with those from this country?—It is more convenient to take the goods from hence, if they want any considerable quantity of British manufactured goods, rather than take them from the United States, though some small quantities may go from thence. The expence of sending goods to America and reshipping would be equal to ten per cent.

5416. If they could be carried by British ships, do you think all the goods now carried by American ships would be carried by British ships from hence to India?—A great proportion might be carried by British ships: but it is uncertain.

5417. In preference to American ships?—There are only one or two parties engaged in the trade now; and I believe those parties would give up the trade if it was open; it would be left to the English merchants, unless other Americans engaged in it.

5418. Would not the exporting merchant select the ship in which he could send his goods at the least freight?—Certainly.

5419. If the freight of the American ship was the lowest, would he not send it in an American ship?—Yes, I should think he would. It is generally known, and I believe understood, that an American ship can go at a less expence than an English.

5420. Can you state what is the difference of freight between an American and a British ship at the present moment; from hence to America, for instance?—Very few English ships go from hence to America with manufactured goods; the American ships are taken in preference.

5421. Can you state the comparison on any voyage?—The freight of the British ships is generally lower: but the American ships sailing so much faster, and better commanded, they do not like to ship valuable merchandize by an English vessel to any port in the United States.

5422. When you speak of English freight, do you allude to the amount of freight from London or from English ports generally, taking into consideration the difference between Liverpool and London?—I should take both Liverpool and London, as far as I know the trade. The American packets run regu-

larly; that is another reason they command a better freight; so that no just comparison can be made between the freight of an English and American ship to America.

5423. Can an English ship, under the present American law, carry the same cargo that an American ship can carry from this country?—I believe an English ship can carry the produce and manufactures of England, but not of other countries. Every article I ship to America might be, except foreign merchandize

5424. With what description of vessels were you comparing the American, when you stated that they could sail so much cheaper?—As comparing them with the East-India Company's ships and private-traders

5425. Are the private-traders sailed with the same parade and expense as the Company's ships?—I believe they are; but I am not fully acquainted that.

5426. What attempts have been made, through you or the houses which employ you, to introduce any new article of export?—I have made repeated experiments, and have succeeded with some articles.

5427. In what kind of articles?—In woollens and cotton long-cloths, of which there are large quantities now shipped and sent out since the first experiment. They were copies of the long-cloths from Bengal.

5428. Have any of those articles succeeded to a considerable extent, so that a large export takes place?—Yes; the export of long-cloths is to a considerable extent. There was no export of long-cloths by the first vessels.

5429. You say that a large shipment has been made within these last six weeks; do you know of what it consisted?—I must beg to refer that question to Messrs. Baring and Company, who shipped the goods by the Bashaw.

5430. Do you not think that the size and the warlike appearance of the East-India Company's ships has had rather a tendency than otherwise to excite the jealousy and the vigilance of the Chinese?—I am not sufficiently acquainted with that part of the subject to answer that question, not having been in China.

5431. Do you not think that if an English free trade were admitted to China, the possession of India by this country would give them a great advantage over the Americans?—No, I conceive not. The Americans have established their character with the Chinese traders, and it would be difficult to dispossess them of the trade.

5432. Would not the possession of India by this country afford the English trader very considerable advantages in carrying on trade with China?—I should suppose it would.

5433. Do you know whether it has been generally expected

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by the Americans, that when the existing charter of the East-India Company was at an end the trade with China would be opened?—There is a variety of opinions upon that subject; I do not know what the general opinion is.

5434. Do you know of any considerable American house that is preparing to relinquish that branch of its trade?—I believe the house of Perkins and Company will relinquish their business. Mr. Cushing is gone out for the express purpose of closing their concerns at Canton.

5435. Has not he made a very large fortune by it, first?—Yes, I believe he has.

5436. How much do you suppose?—I suppose about £500,000.

5437. How long has he been in China?—Twenty-two years.

5438. Do you know whether the same house intend to relinquish any other part of their commercial business?—I believe they are giving up the business altogether.

5439. Have they all made as large fortunes as Mr. Cushing?—Being partners, I presume they have, in proportion to their share in the concern.

5440. How many partners were there in that house?—Three.

5441. You have stated that American ships are built at a cheaper rate than English ships; have you any knowledge of the relative prices of ship-building in both countries?—I have no particular knowledge. The principal materials for ship-building are much cheaper in America, and of the best kind; and great improvements are made in the models and rigging, by the constant attention of ship-masters to make the vessels complete and fast sailers. They are generally built under the inspection of captains well acquainted with the qualities required by actual experience.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, One o'clock.

Die Martis, 15° *Junii* 1830.

The Lord President in the Chair.

15 June 1830.

J. Stewart, Esq.

JOHN STEWART, Esquire, a Member of the House of Commons, attending, is examined as follows:

5442. You have been frequently in China, have you not?—I have.

5443. In what situation have you been there?—I have been there in the situation of mate and commander of a ship, and agent for the transaction of business connected with the ship I

commanded. I have also had other ships, with their cargoes, consigned to me in China, whilst I was there. 15 June 1830.

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5444. Have you resided at Canton for a considerable period of time together?—Never more than six or seven months together.

5445. At the time you were agent, did you transact business on your own account?—To a very limited extent. As commander of a ship, and also when mate of a ship, I used to trade on my own account, in a similar way to that in which the commanders and mates of East-India Company's ships trade, though not to such an extent.

5446. With whom did you carry on your trade at Canton?—With the Hong merchants, and with the outside merchants; to a very considerable extent with both.

5447. With which description did you prefer dealing?—With the Hong merchants, generally speaking; but there are certain articles of merchandize which the Hong merchants will not supply; and I have dealt very extensively with the outside merchants, particularly in the purchase of gold and silver bullion, which the Hong merchants would not supply. The returns I had occasion to make from China to my constituents in India were sometimes made to a considerable extent in bullion, and that I used to purchase exclusively from the outside merchants.

5448. The exportation of bullion being contrary to law?—Being prohibited, as I understand, by the law of China, although openly sanctioned by the custom-house officers at Canton, on payment of a small fee.

5449. When you transacted business with the outside merchants, was it not necessary that some Hong merchant should lend his name?—If the purchase is made from an outside merchant, he makes an arrangement with the Hong merchant, and the goods are shipped off from the warehouse of the Hong merchant, so that it appears to be supplied by the Hong merchant; that, however, is an understanding entirely between the outside or shop merchant and the Hong merchant, with which the European purchaser has nothing to do. In purchasing gold and silver bullion from the outside merchant, it is generally received at the house of the purchaser in Canton, and sent on board ship entirely at his own risk.

5450. That was entirely a smuggling transaction?—Not entirely so, as the shipment is permitted by the Chinese custom-house officers, on payment of a fee.

5451. Whether you bought of the Hong or the outside merchant, did you buy by contract, or as you wanted the articles?—As I wanted the articles.

5452. You preferred that mode of carrying on business?—Yes.

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5453. Did you think you obtained goods of equally good quality in that manner ?—Yes. I of course saw a sample of the goods before I settled for the price, and then I gave an order for the quantity, which was prepared accordingly; I might of course superintend the packing of them, if I chose, or depute another to do so; sometimes I did so; at other times I trusted it to the Hong merchant.

5454. Trading with a small capital, you would consider it more advantageous to make your purchases in that manner; but if trading with a very large capital, should you think it advisable?—It would depend on circumstances. Whatever might be the amount of capital, I should consider it necessary to ascertain whether I could purchase goods on better terms from the Hong merchants than from the outside merchants. In purchasing a small quantity of goods, say from 1,000 to 2,000 pounds worth, it would generally be better to deal with the outside merchants, for we could go to their shops and select at once the goods we wanted; but in purchasing a whole ship's cargo, or investing to any large amount, I should conceive it was more advantageous to deal with the Hong merchant.

5455. Purchasing a large quantity at a time from the Hong merchants, should you purchase it by contract, or should you venture to trust the supply of the market, if you were desirous of making a very large purchase ?—I do not exactly understand the question; does it refer to a purchase of goods to be delivered at a distant period?

5456. As the East-India Company purchase their teas ?—I have always made purchases at the time I have required the goods, and have never bespoken a cargo at a distant period. It would depend on the fluctuations of the market how a purchase by contract answered; it might be advantageous one year, and not so another.

5457. If you were called upon to make a purchase to the extent the East-India Company do, or even a smaller, should you not think it a safer way to make a previous contract for the delivery of the quantity required ?—I think I should, if purchasing to such an extent, make a previous contract for the quantity of goods required.

5458. If the Company adhere to the system of making contracts rather than purchasing in the market, it is not to be considered that that is a proof that they conduct their trade carelessly, or with disregard to the expense, but as a circumstance connected with the extent of their demand ?—Unquestionably; it is by no means a proof that they conduct their purchases carelessly, but the contrary.

5459. In your opinion, what would be the effect of opening

the trade of Canton to English merchants generally?—Most beneficial, in my opinion, certainly. 15 June 1830.

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5460. Have the goodness to explain the effect which that opening of the trade would have, first upon the commerce of this country, and then upon the commerce of India?—I should conceive that it would affect the commerce of this country beneficially, inasmuch as under the operation of a perfectly free trade to Canton I am of opinion that there would be a greater consumption in China of the staples and manufactures of this country, particularly of woollens and metals, but metals more, I think, than any thing else; and China, in its varied productions, would afford the means of making returns direct to this country, if it were desirable, in goods, without loss; whilst returns to a great extent might also be made in bullion, when desirable, there being generally abundance of gold and silver to be obtained at Canton. It would also be the means of employing an increased number of ships and seamen. The effect of such a trade would operate in India on the same principle, by increasing the export of the produce of that country to China. In connection with that part of the question which relates to the trade from this country, perhaps the most profitable mode of carrying on trade with China, if it were perfectly free, would be circuitously, by India—sending a ships' cargo out to India, to be sold there, and the proceeds invested in the produce of India, to be carried on to China, and the returns brought home direct from China, and *vice versâ*. Ships from India would proceed in the first instance to China, from thence to this country, and then return to India.

5461. Do you apprehend that in that trade a profit will be made upon the outward or the homeward cargo?—I think more generally upon the outward cargo. I should say that if the proceeds of the outward cargo were returned to this country without loss, there would be, generally speaking, a fair mercantile profit upon the adventure; the difficulty is at present, and I believe has been for the last ten or twelve years, in getting funds home from China.

5462. Is there at present any difficulty in obtaining bills on England in China?—I believe a very considerable difficulty.

5463. Are not the Company willing to give those bills to some extent?—I believe of late years they have never drawn to any extent on London when they could help it; as when they have required funds at Canton, they have generally preferred giving bills on India to drawing on London.

5464. If the Company were disposed to give to a large extent bills on England at Canton, do you apprehend that under those circumstances the opening of the trade would still produce any considerable advantage to the English trader?—It would depend upon the rate of exchange at which they gave

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the bills; but still under any circumstances I think that the opening of the trade would be advantageous, as I think a more favourable remittance would, generally speaking, be obtained through the medium of goods than through the medium of bills of exchange.

5465. The merchants' gains would be the difference between the profit on the remittance of goods and the difference in remittance by bills?—Yes, if the bills were given at par.

5466. Have not the Americans had the facilities of sending from this country to China British manufactures?—I believe so.

5467. Do you apprehend that, if the trade were open, an English merchant could send British manufactures at a cheaper rate to China than the American merchants can now?—I should suppose they could be sent by the British merchants much on the same terms; I fancy we sail our merchant vessels as cheap as the Americans do now.

5468. The American merchants having now the means of sending their British manufactures to China, and it being your opinion the British merchant, in the event of opening the trade, would not have the means of exporting those manufactures at a smaller cost, what reason have you for thinking that the opening the trade would increase the export of British manufactures to China?—I believe that in this country the shipowner and merchant are frequently combined in the same person. If I owned a ship in the port of London, I apprehend that I could send my goods cheaper to China in my own ship than I could freight them in an American, and I should prefer doing so to trading under a foreign flag, even if that were perfectly unobjectionable; besides, circumstances might occur to interrupt the transit of goods by a foreign flag, such as a war, which would not prevent our sending the same under a British flag.

5469. Do you think, if a British merchant were owner of a ship, he could carry his goods to China at a smaller cost than the American?—Perhaps not at a smaller cost, but with greater facility,—and probably even at a smaller cost; but that would depend upon the rate of freight charged by the one and the other; and the rate of freight might be influenced by a variety of political circumstances; a war, or the prospect of war, might raise the rate of freight by the one, and lower it by the other.

5470. Must not a merchant who exports by his own ship make two profits; the one by his ship, and the other by his goods, and thus be in exactly the situation of a person who exports on the ship of another, and pays freight?—No. It is the custom of some merchants to combine the earnings of the ship and the profit on the goods, making them in fact one adventure, debiting to that adventure the cost and outfit of the ship, and

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the price of the goods; and on the return crediting it for the proceeds of the goods or returns, and for the value of the ship at her return. I believe that other merchants again do separate the two, and keep the earnings of the ship quite distinct from the profit or loss on the goods.

5471. Though that is a different mode of keeping the accounts, will it make any difference in the extent of the profit of the person who so engaged his capital?—None whatever; only that by keeping the account in one way there might appear a profit on the goods, whilst there was a loss on the ship.

5472. Cannot British manufactures be sent to China by means of the country trade?—Yes, certainly.

5473. Are they to any extent?—To a very limited extent, I believe, at present.

5474. Can you account for that?—Only in this way; that the raw cotton produced in India affords a better chance of profit than British manufactures purchased in India with the advance upon them there.

5475. In point of fact, have not British manufactures been sold in India at a cheaper rate than they could have been procured in London?—Not to my knowledge; my experience would lead me to entertain a different opinion.

5476. Has it not frequently happened that there has been so great a glut of British manufactures in India as to reduce the price below the prime cost?—Not on the western side of India, with the trade of which I am still connected; at Bombay I recollect no instance of this being the case.

5477. If the export of British manufactures to China direct be profitable, are you of opinion that the additional voyage, in which an expense would be incurred by the vessel going to India on the way to China, would so increase the cost of those manufactures as to make the speculation unprofitable?—Certainly, it would have the effect of making the speculation less profitable, and in some instances might made it altogether unprofitable; but I apprehend that British manufactures would never be sent to China circuitously through India; they might be sent to India, and sold or exchanged for other commodities there, and the produce sent on to China; or if the Indian markets were glutted, the goods might certainly then be sent on to China.

5478. The state of the law now allows only Americans to export British manufactures to China direct; the law, however, has allowed British merchants to export them from India to China. The question is, whether the export of British manufactures from India to China would be an unprofitable transaction, the cost of those manufactures having been so much increased by touching in India on the way?—Generally speaking, I apprehend that would be an unprofitable transaction.

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5479. Have British manufactures been deposited at Sincapore, for the purpose of being taken up by country ships on their way to China, to any extent?—I am not aware whether that has been the case or not; I have had very little communication with Sincapore myself. The ships from Bombay have generally had full cargoes from Bombay to China, and I apprehend have very seldom had any goods from Sincapore.

5480. Might not British manufactures have been sent from hence direct to Sincapore, and then been taken up by British ships and carried on to China?—I think they might, and that it might advantageously have been done.

5481. It is not within your knowledge that it has been done? —No.

5482. Are not you of opinion that would have been done if there had been a prospect of advantage?—Certainly.

5483. What are the circumstances then which induce you to think that, in the event of opening the trade, a much greater quantity of British manufactures would be exported to China? —I think the consumption of them in China would increase under such circumstances, the importation of them to China being at present very much restricted; whereas, if the trade were open, considerable shipments would be made under the British flag and which would find their way into the interior of the country, under the operation of a free trade, conducted with all the commercial enterprize of British merchants. The wants of China, in metals particularly, are very extensive. China does not produce a sufficient quantity of iron or copper for its own consumption; and the exportation of all metals from Canton, with the exception, I think, of lead, is prohibited.

5484. Do you think that the Chinese would purchase to a much greater extent, unless the manufactures of England were offered at a much lower price than they are at present?—I think the price they now bear is sufficiently low to justify the expectation that they would purchase to a considerable extent.

5485. Do you know that the demand of the Chinese for British manufactures has increased in proportion to the diminution, amounting to about fifty per cent., which has taken place in the price of British woollens and cottons in the course of the last ten years?—I have no information enabling me to answer that question.

5486. Would not the natural course of things be, that on so great a diminution of price a larger portion of Chinese capital would be devoted to the purchase of British manufactures than had been before?—I am of opinion that that would be the effect under the operation of a perfectly free trade.

5487. Is not that true as regards the Americans?—I believe it is perfectly so.

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5488. Then why should it not have been so under the operation of that perfectly free trade carried on by the Americans? —Possibly it may have been so; I cannot say.

5489. If it has not been so, should you not infer that there has not been a demand in China for a greater quantity of British woollens and cottons?—That would be a natural inference, if the experiment has been fully and fairly tried by the Americans; if they have taken out such goods to the full extent required by China.

5490. You are probably aware, from the returns, that the American trade has amounted in some years to from eight to ten millions of dollars, and that out of that amount not more than two or three millions of dollars in any one year have consisted of goods; do you not think that, having so large a capital as that disposable for trade with China, they would have invested a much larger proportion in British manufactures, if the exportation of those manufactures had proved profitable?—I have no doubt they would invest it in the purchase of any goods that would be likely to yield them the most profitable return.

5491. May it not be inferred, from their not having done that to any considerable extent, but that, on the contrary, their exports of British manufactures to China have diminished of late years, that they have not found it profitable to carry on a trade with that country by an export of manufactures?—Certainly; if their trade in manufactures has diminished, no doubt the inference is, that the profit has become less, or that the facilities have not been so great as they were.

5492. Is there not every facility of introducing into China all metals by means of the country trade?—Yes, every facility.

5493. Will you have the goodness to refer to the article of tin, in the account Number 29 of the Papers presented to Parliament last session, and state whether it appears to you from that return that the export of tin to China has been a profitable and is an increasing transaction?—It appears by this, that the importation of tin by country ships into China has very considerably fallen off since the year 1817-18; but it does not follow from this that the importation may not have increased by other means, tin having been an article of export from this country, and it is also procured at different islands of the Eastern Archipelago, and carried from thence by the Americans and others to China. The Banca tin, in particular, is the very best.

5494. Is there a considerable supply of tin to be got at the Eastern Islands?—Very considerable.

5495. Will you have the goodness to refer to page 8, under the article of tin, and state whether the export of tin by the East-India Company appears to have been on the increase be-

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tween the years 1820-21 and 1828-29; does it not appear that there has been none exported since 1822-23?—It does.

5496. Will you state, from the return in page 44, what appears to have been the course of trade with China in particular?—It seems by this return to have fluctuated very greatly indeed; and it would be almost impossible to draw any conclusion as to the state of the trade in that article, if this return included the whole of the iron that had been imported.

5497. The importation into China in the two last years appears to be very much smaller than the importation of the two first years of that return?—Very much so; but the importation of the year 1827-28 appears to be more than double the importation of the preceding year, 1826-27.

5498. But still not to have exceeded the importation of the year 1817-18?—No; it appears to have come up to just about the same amount.

5499. Will you refer to the article iron, at page 8, the iron exported by the East-India Company, and state the result of that return?—There seems to have been a small increase in the quantity.

5500. Would it not appear, from the returns which you have just referred to, that the export of iron and of tin through the East-India Company and all the country trade to China, had not, in the course of the last ten years, been a transaction attended with such profit as to induce any great extension of it?—It does not appear, certainly, to have been extended by the East-India Company, nor by those engaged in the country trade to China; I cannot say for what reason; but it would follow, I suppose, as a matter of course, that they did not find it so profitable as trading in other articles.

5501. Will you have the goodness to specify the articles of China produce which in your opinion would be obtained from China in case of any great extension of the trade?—I scarcely know any country so productive as China, or which contains such a variety of articles that would be required for the consumption of this country and of Europe. Silk in a manufactured and unmanufactured state might be brought to a very considerable extent; drugs are also produced in China; cotton manufactured into nankeen would also be an article of considerable export; and sugar, if it were permitted here. The sugar-cane in China is very extensively cultivated; and there is a great variety of qualities, the finest and the coarsest sugar in the world being, I believe, produced in China.

5502. Have the goodness to refer to page 42 in that account, a return of the silk goods exported from Canton by the Americans for European consumption, and state whether from that return it would appear that the exportation of silk goods for the

consumption of Europe had been a transaction of profit during that period?—I should infer from this return that it was now becoming an article of very great profit, as I see that from 1824-25 to 1825-26, in one year, it has increased about fourteen millions. 15 June 1830. — *J. Stewart, Esq.*

5503. Do you not perceive that in the following year there is no export at all?—There is none.

5504. Have the goodness to refer to the article of nankeens, and state whether in your opinion, from this return, that article of export is likely to have been profitable?—No; it appears to have fallen off very considerably.

5505. Will you refer to raw silk?—Raw silk, by this return, would not appear to be an article of much importance.

5506. Or sugar?—That appears to have fallen off also.

5507. With the exception of cassia, which is stated as a separate article in this account, all the other articles to which you have referred must appear under the head of sundries, if such have been imported into Europe; will you state whether the total amount of all other articles not specified, imported under the head of sundries, appears to have been such as to give the appearance of a profitable transaction?—By this return it has not been always so, certainly; the exports under the head of sundries appear to have fluctuated very much latterly, but that did amount altogether to a very considerable sum.

5508. Should you, by looking at this whole account, and especially for the three last years of the export of tea, as well as of other articles specified, by the Americans to Europe, say that the whole return exhibited the appearance of an increasing and profitable trade?—It appears, by the return I now hold in my hand, that the exports of the manufactures of China produce for European consumption by the Americans during the last three years has been on the decline; but I do not conceive that this is a criterion by which we could judge correctly of the profits of a free trade to China under the British flag; there are articles of China produce brought to the continent of Europe under other flags as well as the Americans; certainly, as far as the American exports are included, they appear to have decreased by this return.

5509. You have before admitted that, as regards the Americans, the trade with China is a perfectly free trade?—I believe perfectly free.

5510. Will you have the goodness to refer to No. 26, in page 41, the account of exports from Canton by the Americans intended for American consumption, and state from an inspection of that account whether in the last three years that trade appears to have been a lucrative and increasing trade?—The average value of the last three years will exceed the average value of the three preceding years.

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5511. Is not the value of the last year in that account only one-half of the value of the preceding year?—Very little more than one-half.

5512. Is not the value of the trade in the last year of that account less by one million than the value of the trade in any other year stated in that account?—Yes, it appears to be so.

5513. What were the articles of produce or of manufacture which you yourself imported into China?—Mostly cotton was the principal article of produce which used to be imported to my consignment at Canton; on one occasion woollens and metals to a considerable extent, purchased from the Bombay government in the year 1805 or 1806.

5514. Were the woollens purchased from the Bombay government?—Yes; they were sent out by the East-India Company, and purchased to a very large extent; and sent on to China by the ship I commanded.

5515. Was the sale of those woollens profitable?—I had no means of ascertaining whether they were or not; I do not know what the cost of them was, and cannot say whether it was profitable or not.

5516. Was the sale of metals profitable?—The metals sent to China were not to so great an extent as the woollens. The metals were mostly resold, I believe at Bombay; some were sent on to China, but whether they yielded a profit or not I cannot take upon myself to say; it was during the previous charter of the East-India Company, and we required a special license to take them on, the exportation of woollens from India to China being at that time prohibited; and we were permitted to take them on only in consequence of their having been purchased from the Company.

5517. Have the goodness to state in what way a merchant calculates the profit on his adventure to China?—He calculates his profit on the whole transaction. I can best answer the question by stating the mode of keeping an account of a commercial adventure from Bombay to China. The prime cost and charges of the goods purchased are debited to the account, together with the freight, insurance, and all charges on to the port of Canton.

5518. So far the account being kept in rupees?—Yes; so far the account being kept in rupees at Bombay. Then the returns are invested in various ways; perhaps some invested in goods for Bombay, others in bullion or in bills; perhaps sent to Bengal or to England, according to circumstances; but the whole is realized at Bombay.

5519. The profit upon the whole transaction is not ascertained till the proceeds of all the returns from China are actually realized in Bombay?—No.

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5520. Then the merchant, in keeping his account of a commercial transaction commencing in India and terminating in India, makes it not one transaction; he does not divide the profit into profit on the export and profit on the import cargo?—As far as my own experience goes, it has been the practice to make it one transaction.

5521. Therefore the profit upon the export cargo, whatever it may be, does not appear stated as such in the books?—No.

5522. Whether the profit be on the export or the import cargo, therefore, is a matter of opinion, but is not to be ascertained by the books of the merchants who enter into those speculations?—Certainly; commercial accounts such as I have mentioned will shew at any time whether the profit has been on the export or the import, because that account shews on one side what the goods cost, and on the other what they sold for at Canton; the merchant may, by analysing the account, with very little trouble ascertain whether the profit or loss has been on the one or the other, or on the two combined.

5523. In what manner do you convert into rupees the sum you receive in China for the export cargo?—We do not convert it into rupees until it is realized in rupees at Bombay; it depends on the rate of exchange at which it can be done.

5524. When you sell your goods in China for tales, in what manner do you convert those tales into rupees, for the purpose of ascertaining whether there has been a profit or loss in the transaction?—We would convert them into rupees at the current exchange existing between Bombay and China at the time.

5525. Would you state the profit upon a transaction of commerce between Europe and China to arise from the export trade?—If I were entering into a commercial transaction myself, I should keep the account exactly in the way I have stated; whether it were a direct voyage to China, or a circuitous voyage, I should debit the accounts with the investment and charges, and credit it with the proceeds as they came in; I should make no difference in the mode of keeping the account.

5526. When you say there is a profit on the export and none on the import, the import is nothing more than the mode of remittance?—Exactly so.

5527. In a free commerce between this country and Canton, will not the merchant of this country have a more easy and more profitable mode of remittance than the American merchant?—It is my opinion that he would have a more easy and more profitable mode of remittance.

5528. Have the goodness to state why you think it would be more profitable?—I apprehend that a British ship would, in the first place, import her cargo into this country at lower

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duties and under much more favourable circumstances than importations could be made under the American flag; and I am also of opinion that we can navigate our ships fully as cheap as the Americans. I cannot entertain any doubt that returns made from any foreign state to Great Britain could be made more advantageously under the British than under any foreign flag.

5529. Can you state the proportionate loss on the freight of a circuitous voyage to Canton through India, and a direct voyage, if permitted, from England to Canton?—At present it would be very little indeed; the rate of freight outward-bound to China by India being so very low, it is almost nominal; it has been as low within the last two or three years as fifteen to twenty shillings per ton; it is now a little higher; but the ships of late years have been going out to India in ballast—almost without cargo.

5530. What would be the loss in point of time?—From two to three months, I apprehend, supposing there were no detention in India beyond that requisite to unload and load the cargo.

5531. Could the cargo be exported from India without having been unloaded in the port to which it was sent?—I apprehend there would be no objection to their carrying on their cargo without being landed; but that would rest entirely with the East-India Company, as a country ship cannot go to Canton now without a license from the Company's government in India.

5532. Do you think an English merchant, in the event of a free trade, would have an advantage over an American merchant, in making a remittance of goods to Continental Europe? —Not that I am aware of; unless he could sail his ship cheaper, I apprehend they would be very much on a par.

5533. If he could sail his ship cheaper, he would make a greater profit on the outward as well as the homeward cargo?—No doubt.

5534. In what description of vessels is the country trade of India carried on as to build and size?—They are very fine vessels, as fine merchantmen as any in the world, and I think the size now varies from five to seven hundred tons; there are a few in the trade as large as a thousand tons; there were formerly twelve hundred ton ships in the trade.

5535. By whom are they navigated?—Entirely by Asiatic seamen, but commanded and officered by Europeans.

5536. Of what country are the Asiatics?—Mostly natives of Guzzerat and the adjacent country, in the ships belonging to Bombay.

5537. What is the freight, in a country ship, from Bombay to Canton and back?—By the latest accounts, the freight from

Bombay to China is about five pounds per ton; the freight back is not generally reckoned by the ton, but the whole ship, when not loaded by her owner, is generally taken for a slump sum, and which, perhaps, might be estimated at from thirty shillings to two pounds a ton; I should say that for about seven pounds per ton a ship could now be chartered to go from Canton to Bombay and back.

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5538. What would be the freight of a British ship from Bombay to Canton?—I apprehend the same.

5539. Is there no difference in the expense of building and navigating a country and a British ship?—The expense of building at Bombay is fully as great, if not more, than the expense of building in this country; and there is not much difference in the expense of navigating with Europeans, as fewer British seamen are required in proportion to the size of the ship than if she were manned with Asiatics.

5540. Do you think the trade with Canton would be carried on as conveniently, as well as more economically, in vessels of six hundred tons than it is in vessels of twelve hundred tons, by the Company?—I think that, except as regards the port charges at Canton, a vessel of five or six hundred tons is better adapted for river navigation in any part of the world than a ship of twelve hundred tons; but a ship of twelve hundred tons has a great advantage in trading to China, as the port charges at Canton are much lower in proportion to the tonnage of a large vessel than they are on a small vessel.

5541. What would be the difference between a vessel of twelve hundred tons and one of six hundred tons?—Perhaps two pounds a ton; but I cannot state that correctly.

5542. Do you mean upon the difference, or upon the whole? —Two pounds a ton upon the difference of six hundred tons; but I cannot state it accurately, without referring to documents, and going into the calculation.

5543. Will you have the goodness to refer to No. 18, and No. 41; would it not appear from the comparison of these accounts, that the total charge per ton is little more than a pound on a Company's ship at the port of Canton?—Yes; by this return it is scarcely a pound.

5544. The difference, therefore, must be very much less than you had at first imagined?—The difference is considerable. There is a certain item of charge which they call a cumshaw, or present, amounting to 1,900 tales, levied on every ship, whatever her size may be, which is more than £600 of itself; and a ship of 100 tons burthen has to pay that charge, whilst one of twelve hundred tons pays only the same. The mode in which they determine the amount of the other port charge is by measuring the ship from the centre of the fore-mast to the cen-

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tre of the mizen-mast, and taking the extreme breadth on the upper deck; and it is from this measurement that they compute the other part of the port charge, and it subjects a small ship to a much heavier charge in proportion than it does a large one, and it is consequently in that point of view much more advantageous to trade to China with a large ship, as far as the port charges are concerned, than with a small one. The port charges in any case are very heavy at Canton; but I would beg to correct the answer I made when I estimated the difference of charge between a large and a small ship at about two pounds per ton, as I think now that it cannot be so much.

5545. If the account number 41 states the whole of the charges imposed by the Chinese government on ships entering the port of Canton, the difference of charges on a small and a large ship must be less than you at first imagined?—This statement does not alter the opinion I gave as to the relative difference; in stating that there would be a difference of about two pounds per ton, that I apprehend would, generally speaking, be an over estimate, but the relative difference will still be very great; it will probably be one-half in some ships, one-third in others, and one-fourth in others, according to their relative tonnage.

5546. Do Company's ships remain much longer at Canton than the ships of private merchants?—Generally speaking, they do; but that depends upon the period of their arrival. They arrive at Canton at different periods of time, and they begin to load and despatch them when the new teas come down, which is generally in October or November; and they continue sailing up to February, two or three at a time, every fortnight.

5547. Do the Factory appear to take pains to despatch the ships as soon as they can?—Yes, certainly.

5548. Is the time of their arrival so calculated as not to entail any unnecessary demurrage?—Yes I think that the arrival and despatch of the Company's ships at Canton was, so far as I had an opportunity of seeing, managed as well as it could be.

5549. Are teas, in your opinion, conveyed more safely in a ship of 1,200 than a ship of 600 tons?—No; I cannot conceive there would be any difference in the safety of their conveyance.

5550. They would not incur any damage by being shipped in a ship of 600 tons?—I do not apprehend they would incur more danger or risk in a ship of 600 tons than in a ship of 1,200 tons.

5551. Will a ship of 600 tons have as large a quantity on board as a ship of 1,200 tons in proportion to the tonnage?—Generally speaking, she would; but much depends upon the formation of the vessel. Some ships that measure 1,200 tons will not carry so much tea by 100 tons as others of the same registered tonnage, the measurement being calculated according

to the length, depth, and extreme breadth; and ships that do not carry the breadth low down, but are built sharp like a wedge, are not burthensome for cargo. 15 June 1830. — J. Stewart, Esq.

5552. When an engagement is made by a ship-owner for the freight, does that engagement rest on the registered tonnage, or the actual tonnage of the vessel?—Sometimes one, sometimes the other. I understand that the East-India Company in engaging ships pay a certain rate of freight for the registered tonnage, and a less rate for any surplus the ship can take beyond the registered tonnage. In my own experience, we have generally engaged tonnage for the quantity the ship can take on board, so as not to overload her, but to leave her seaworthy.

5553. Are you extensively acquainted with shipping?—Yes; I have been concerned in East-India shipping for many years, and am so still.

5554. Can you state whether much improvement has taken place in the ship-building of this country as to enabling a British ship to compete with an American ship, or more easily carry a large cargo?—I have no means of answering that question.

5555. Has there been a great improvement in the mode of building the merchant ships of this country, with respect to their sailing?—I am not aware that there has been any material improvement for some years back.

5556. You do not build ships?—No; not in this country. My connexion with shipping is mostly with shipping built in India, and trading between India and China.

5557. Supposing a free trade were open, do you think that a new class of ships would be constructed in this country applicable to that trade?—Yes; I think it very likely that ships of from 600 or 700 tons would be built for that purpose.

5558. What charges in this country does the mode of registering tonnage affect?—I cannot answer that question, having no concern with the shipping of this country.

5559. Are the ships you are acquainted with in the East measured in the same way as in England?—Yes, exactly the same.

5560. Then does it not follow, taking the measurement from the length and breadth and depth of the midships, giving greater width fore and aft, that it must be more advantageous in point of measurement?—Yes; it would be a more burthensome ship, and stow more cargo; but then it would tend to impede her sailing.

5561. Are not the Chinese goods, imported into America by the Americans in return for the British manufactures they export, exclusively intended for the markets either of the United States or the continent of Europe?—I believe entirely;

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I am not aware of any attempt to export goods direct to England from China by American ships.

5562. Would not the effect of that be, that the exports of British manufactures by Americans would be limited rather by a chance of profitable sale of the return cargo than by a demand in China itself for the British goods?—Yes, no doubt of it.

5563. But if the American could import into this great market of England China produce, he would then be enabled to speculate more advantageously in the export of British manufactures?—Yes; if he were permitted to export them on the same terms as he could do under the British flag.

5564. So that, although the American exports of British manufactures may not have been on the increase, it does not at all follow from that that there would be no increase of British manufactures exported to China for that market, if the English market was open to a return cargo of Chinese produce?—Certainly, it does not follow that there would not be an increase of export under the British flag if the trade were perfectly unrestricted; and I apprehend the point could not be ascertained, as regards the Americans, unless they were permitted to import on the same terms.

5565. If the market for the produce and manufactures of China, as exported thence by the Americans, were generally extended, their exports to China might be extended for the purpose of meeting that extension of the market for Chinese produce and manufactures; but does it follow that the export of any particular article of manufacture or of produce from China by Americans would be extended, because their whole trade is extended?—I apprehend that would follow as a matter of course. I apprehend that, on general principles, if there was an increased demand for China produce all over the world, and that that China produce could be purchased in China by British manufactures, exported from this country under the American or any other flag, the increased demand would naturally lead to increased exports from this country.

5566. Would not an increased export take place clearly in that description of manufacture which could be exported with the greatest profit; and would the export of British manufactures be increased unless they could be exported to greater profit than other articles of produce or manufacture sent to the Chinese market?—The export would naturally be greatest in that article which afforded the greatest profit; but I think the export trade would increase generally under the circumstances stated.

5567. While there is no reason, from the general extension of that trade, to argue that the export of any one particular

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article of manufacture would be increased, neither is there any reason to infer that the export of that article would be increased; the general amount of the exports would be increased, but you cannot say that any one particular article would be increased?—I should say that the export trade certainly would increase; and that the export of particular articles would depend entirely on the demand for them in China.

5568. If the general exports were to increase, and the export of any specified articles were to remain the same, the remainder of the export must consist of new articles, not previously imported?—Yes.

5569. If the general commerce increased, would not the presumption be in favour of every article of which it is composed?—Certainly.

5570. Have the goodness to refer to the Account, No. 25, page 40, and look at the years 1821-22 and 1824-25; does it not appear by this return that the sale value of the merchandize imported into China by the Americans in 1821-22 amounted to 3,074,741 dollars, and in the year 1824-5 to 2,437,545; that there had been a very considerable increase in the total value of exports to China by the Americans, comparing the last of those years with the first, and therefore a great extension of general trade; but that it had not been found advantageous to make that extension of the trade by an increased export of manufactures, but the contrary, for that there had been a diminution to the amount of more than 600,000 dollars on the export of manufactures, while there had been an increase of nearly 700,000 dollars in the total amount of the export trade?—I should say, if I understand the question rightly, that this return does not enable me to judge whether there has been an increased or a diminished export of manufactures. There appears to have been a diminished export in value of goods, but whether the quantity has increased or diminished does not appear from this return. I confess I do not very clearly understand this return in the way in which it is framed.

5571. Would it not however appear from the return, that, notwithstanding the considerable increase of the trade which took place in the latter of those years to which reference has been made, and in the value of the produce and manufactures of China exported in that year, the Chinese have devoted to the purchase of manufactures a much smaller sum in the latter year than they did in the former?—If the first column in the return refers merely to the value at which the goods have sold at Canton, certainly the Chinese have paid less for the imports by Americans for that year than they did in the year 1821-22.

5572. Though a larger proportion of American capital was devoted to the exporting from China Chinese productions and manufactures, was not a smaller portion of Chinese capital devoted to the purchase of that part of the American import into

15 June 1830. China which consisted of merchandize?—That appears by this return to have been the case.

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5573. Do you consider that any table of actual value is to be taken as an accurate criterion of the amount of demand and supply of the commerce carried on?—No, certainly not; I think it is quite impossible to draw any correct conclusion as to the fluctuations in commerce from such an account as this, which only relates to value.

5574. Have the goodness to refer to No. 37, page 98, of the accounts now shewn to you, under the head of woollen manufactures; if it should appear that in the year 1814 the declared value of the pieces of woollen manufacture exported was £215,815, and that in the year 1828 the declared value of the same species of articles was £217,454, should you be accurate in inferring that there had been no greater exports in the latter year than in the former, than the difference between the £215,000 and the £217,000?—I should say that would not be a correct conclusion to come to.

5575. The fact being, that in the year 1814 the number of pieces exported, which were valued at £215,000, were 12,569, and the number of pieces which in 1828 were valued at £217,000 were 33,458?—That appears to be the fact.

5576. Does not that prove that the statement of declared value is not a measure of the amount of commercial intercourse?—It does establish that fact clearly.

5577. Do you not estimate the demand for an article by the amount of capital applied to the purchase of it?—No; I should rather estimate the amount of capital required by the demand for the article.

5578. In the event of opening the trade with China to all British subjects, do you think it would be necessary to establish some public authority at Canton, which should have the power of controlling the conduct of all British merchants and subjects trading to that port?—Yes, I should think that essentially necessary to the preservation of the trade; I state that from my own knowledge of the peculiarities of the Chinese, and the necessity of controlling Europeans visiting Canton.

5579. In what manner would you give to that public officer, so established at Canton, an effectual control over the conduct of British subjects; merely by a change in the act of the Legislature, or would you give him some esssential authority?—I conceive the authority now vested by the Act of Parliament in the East-India Company's supercargoes is quite sufficient.

5580. Would you propose that the papers of the ship should be necessarily deposited with that officer immediately on its arrival?—No, it would not be necessary; they are usually carried now to the President of the Select Committee, for his inspection.

5581. What powers have the supercargoes?—They have very extensive powers; they are empowered to remove from Canton

or from any of the islands on the coast of China, any British subject, whenever they think it proper to do so; and they are entitled to call upon the commander of any British ship at Canton for physical force to enable them to carry their determination into effect. They can also interdict the whole British trade at any time, if they think proper. In fact, every British ship going to Canton may be controlled by the Select Committee, and not only the ship and cargo, but the crew; they are obliged to comply with any orders the Select Committee may issue to them.

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5582. Do you think it necessary this power should be continued, or other powers substituted for it?—I think it necessary a power of that nature should be retained.

5583. Do you know what powers the Dutch consuls possess?—I do not.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 17° *Junii* 1830.

The Lord President in the Chair.

Mr. JOHN SIMPSON is called in, and examined as follows:

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Mr. J. Simpson.

5584. What is your business?—That of an insurance broker in London.

5585. Have you been long engaged in that business?—Yes, upwards of thirty years.

5586. What is at present the insurance upon a ship of the best description to Canton and back?—The premium now is about six per cent. out and home.

5587. Is that the premium on the best of the Company's ships?—It is.

5588. Do not the Company usually insure themselves?—They never do.

5589. What is this—the insurance on goods of private persons on board?—Yes; and some ships belonging to private individuals are insured at that rate.

5590. What ships belonging to private individuals do you refer to?—There are a great many belonging to private individuals that are taken up by the Company for a certain number of voyages out and home; it is these I allude to.

5591. Is there a difference in the rate of insurance on those vessels, and on the goods carried in the East-India Company's vessels?—No, not any.

5592. There is no difference in the rate of insurance between a ship of 600 and one of 1200 tons?—No; many would prefer the smaller.

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Mr. J. Simpson.

5593. Do the Americans effect insurances on their ships in this country, when they undertake a voyage to Canton?—Very seldom.

5594. Do you know of any instance?—I remember one some years ago, and the premium was complained of, stating they could have done it at less expense in America.

5595. Was it insured at a higher or lower premium than an English one, and at the same time?—About the same rate.

5596. Has there been any great alteration in the rate of insurance since the peace?—Not by the Company's ships.

5597. None at all?—Not any; it has always been the same on the Company's ships, to China particularly.

5598. Is it not supposed that the sea risk is smaller now than it was formerly?—No, I never heard of any such supposition.

5599. Not since the peace?—No; the sea risk is the same always. I am not aware that the seasons have changed.

5600. Are there other vessels better navigated and better found than there used to be, and which make their voyages in a much shorter time than they did?—No; I don't think there are. In the time of war, going with convoy, they were longer; but since the peace it has been usually the same.

5601. Are Liverpool ships insured in Liverpool as they are at London?—That trade is confined to Bombay, Calcutta, and other parts; not to China. The Liverpool insurances are generally done in London, and at a less rate than what the ships of the Company are done at now; same voyage.

5602. Is that the case with ships from any of the other outports?—Yes, it is generally; there is much greater competition in the doing of them than in the trade of the Company's ships. The premium upon private vessels to China and back would be £5 per cent. instead of £6. Were the trade open immediately, it would be less, from its being less risk, as they would not be subject to mischief in the Downs; and less from the competition that would take place, as the outport business is done in London through brokers, between whom there is always great competition. I have seen lately a ship done from here to Calcutta and back at £6 per cent. belonging to a London house, and I have seen a similar ship belonging to Liverpool, from London to Calcutta and back, for £4 at the same time.

5603. The vessels being equally seaworthy?—Yes.

5604. How much of that difference do you attribute to the greater danger of a voyage from London?—They were both from hence; but the private trade has that competition which the Company's trade and ships have not. The premium of out and home at £6 per cent. is an old established premium given in London, and given and taken in both ways.

5605. Why should not the Company's officers, who insure the goods they ship for China, insure them at a lower instead

of a higher rate; they might go to any one, might not they?— I do not know. There are old established connexions, and perhaps credit; and many of those who give £6 per cent. are underwriters themselves, and take six per cent. There is not that competition, nor ever was, that there would be if the trade were opened. 17 June 1830. Mr. J. Simpson.

5606. You think the effect of opening the trade would be, that the insurance at this time of a good ship would be about £4 to Calcutta and back?—Yes; and £5 to Canton and back.

5607. Is it the same to Canton as it is to Calcutta?—There would be about one per cent. difference always.

5608. Where; to Canton more?—Yes.

The witness is directed to withdraw.

CAPTAIN WILLIAM MAXFIELD is called in, and examined as follows:

5609. WHAT is your profession, Captain Maxfield?—I have been employed in the naval service of the East-India Company in India. *Capt. W. Maxfield.*

5610. Were you in that service many years?—For almost an uninterrupted period of twenty-five years.

5611. Had you occasion, during that period, to be frequently employed in different situations?—Yes, in various situations.

5612. Had you extensive means of becoming acquainted with the commercial shipping of the Company?—Yes.

5613. What is the number of men, and what is the number of guns, in a China ship of the largest dimensions and of the highest tonnage?—I should imagine, speaking from recollection, the number of men would be about 130, and probably, at the present time, from thirty to forty guns, in the 1200 or 1400 tons ships; from thirty to forty guns and 130 men; I think they generally estimate the men at ten per 100 tons.

5614. How many men would there be to work her?—If the question is meant in action, I should say the whole of the crew would not be more than would be competent to work; being very heavy-rigged vessels, or almost as heavy as a seventy-four, the whole 130 would be employed if there were much manœuvring; but to fight such a ship well with 130 men is quite out of the question.

5615. How many men ought there to be to each gun?—It depends on the size of the gun.

5616. What is the size of the guns?—I take it they mostly carry on their main decks eighteen-pounders; I dare say they do. I have seen some eighteen-pounders on board some of them, twelve and eighteen-pounders, and some of a lighter description of gun; they are not confined to any particular class of gun; the number of guns is settled by the Company. I speak from the belief of the variety of guns I have seen on

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board; I have seen some with the govers gun, and a variety of them; I believe that is optional with the owners; I am not positive.

5617. You cannot say how many men you think would be required to work half her guns?—Why, so to fight the guns and to work the ship at the same time, we must embrace the manœuvering of the vessel, as well as having the guns below. It would depend on how she was to be fought. If she were to be fought as a man-of-war, she requires a considerable number more than her ordinary complement; but if it is to be considered as that sort of defence you expect from a merchant ship with a limited number of hands, the action would be carried on with less spirit and effect than if the guns had more men to fight them.

5618. How should you estimate the efficiency of one of the Company's large China ships as a man-of-war; to what sized man-of-war would she be equal?—That is a difficult question to answer with reference to the actual number of men put on board agreeably to their present establishment. It would be invidious to say what I think of it as to a vessel of war; but it can best be answered by coming at what they have taken, and what they have been taken by.

5619. Will you state any instance of their having been taken?—I recollect the capture of the Kent, and of the Triton, two 800 ton ships. The Kent had troops on board independent of her crew; 100 or 200 troops besides the complement of the ship. The Kent was taken by a French privateer of sixteen or eighteen guns, called the "Confiance," in the bay of Bengal.

5620. How many guns had the Kent?—About thirty or forty guns on board, I suppose.

5621. Had she that number with only 800 tons?—I dare say she might have had thirty, for in war time I imagine the owners put on board more guns than the ordinary establishment now. I imagine she had thirty guns, but probably twenty-six; some 800 tons have twenty-six. I, however, think it is more than probable she had thirty at the time.

5622. You have been speaking of a China ship as having 130 men?—Yes.

5623. Do you know an instance of a China ship being taken?—I cannot call to my recollection any taken by a vessel of that description; I recollect the "Brunswick" being taken, but she was taken by a French eighty-four and two frigates; but that does not bear on the question. I cannot call to my recollection; it does not immediately occur to me.

5624. In what manner do the Company take up their ships for the China trade?—I believe they take up their ships generally by public tender, by advertisement.

5625. For what period of time?—I believe the China ships are by the letter of an Act of Parliament taken up for six voyages, except in some cases of emergency, in which the Act

permits the Company to engage them for one; but the generality of the China ships are engaged for six voyages certain. 17 June 1830.

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5626. The Act permits the Company to take up ships that have gone six voyages for a shorter period afterwards?—Yes.

5627. The Act does not oblige the Company to take ships of a particular tonnage?—I cannot speak precisely to that particular Act, whether it limits them or not; but the general Act with respect to the commerce of India limited the size of free-traders to a certain tonnage; but I am not aware whether the Act of the 58th of George the Third specifically adverts to the size. I suppose the Company are left to engage them as suits their convenience.

5628. Can you compare the trade to China for a ship of 600 tons and a ship of 1200 tons; what would be the difference?—I do not know what would be the difference; I cannot state what would be the difference; but there are so few ships of 1200 tons applicable to any trade in England, except the trade with China. There is no other trade England possesses that requires ships of that class. The ships being few, the competition must be comparatively trifling. It is not easy to come at the fact of the relative expense or rate at which such ships could sail; but I should conceive, that if I were permitted to trade to China, or any where else, and I had two ships, one of 1200 tons and the other of 600 tons, I should sail the 1200 ton ship for less than double the expense for which I could sail the other. It would not cost me more. But I should feel very reluctant in expending that large amount of capital in one block; it might not even be judicious to do it, thought it might at first appear to be economy. That is quite a matter of opinion.

5629. You have never been in China yourself?—I have never been at China. I have been in the China seas cruizing.

5630. Then any information you could give would be from hearsay?—As to China itself.

5631. Has a ship of 1200 tons any advantage over a ship of 600 tons, in navigating the China seas?—No. I am aware that large ships have some advantage in the port duties at China, from that mode of levying the duty by measurement; but I know of no other advantage that she would have.

5632. None in navigation?—No, not in point of navigation. I think she would have less advantage; she would be more likely to meet with accident than a smaller one, and she is less convenient for taking in cargo.

5633. Do you consider the East-India Company's mode of chartering ships as economical?—No.

5634. In what respect?—In illustrating why I conceive it not to be economical, it will be necessary to go into a little more than the chartering;—it is the application of the trade after getting possession of it, as well as the mode of taking the ships

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up. I beg to state why I consider it not economical. If the Company confine their trade with China to a class of ships with which there is no competition in a British market, it is quite clear these ships are built expressly for their trade, and being inapplicable to any other, it reduces the competitors in the market in their employment, and consequently augments the expense. But to say that they don't conduct their trade economically, I might go to the mode of loading their ships. Those large ships are taken up at the high rate of freight at which the Company have been hiring them during the war, say at fourty-four pounds and fifty-five pounds per ton, which for many years were sent from India to China; not above one-half were laden on the Company's account; from Bombay to China not unfrequently above two-fifths laden on the Company's account; the remaining three-fifths became the emolument of the commander, who received on board cotton from Bombay, and carried it into the China market, and met the East-India Company in their own market. I can't consider that an economical way of employing a ship, taking it at such a rate of freight.

5635. If a different mode of contracting for ships were pursued, you conceive there would be a saving in the commercial expenditure of the Company?—Undoubtedly; inasmuch as tonnage, I conceive, might be had at about ten pounds per ton to and from China. If the ships of the country, generally called A. at Lloyd's, were engaged instead of these large expensive ships, I conceive a saving might be made of between £500,000 and £700,000 a voyage on the whole of the ships engaged at one period in the East-India Company's service, imagining that they all made one voyage. I take the whole of the ships at one period in the employment of the Company, but they don't all make one voyage in the year; some of them are out, and some of them are at home, and some on their passage, some fitting out; I am taking the whole of the ships engaged. It is with reference to a statement I laid before the Court of Proprietors, describing the rate at which their ships were taken out; my observation applies to what is founded on that data. If they all made one voyage, such a sum would be saved. It would be a very considerable saving, for the larger ships are taken up as high as twenty-six pounds per ton; if a ship could be had at ten pounds per ton, the saving would be enormous.

5636. Do you conceive there is any disadvantage, in a commercial point of view, in fitting up the East-India Company's ships in the expensive way they are, partly for commercial purposes and partly for warlike purposes?—No; I can't consider the advantage to be derived from the mode of equipping them commensurate with the increased expence attending it.

5637. Can you state an instance of a China ship being lost at sea?—I remember a ship called the "True Briton," that was

never heard of, on her voyage from Bombay to China. But it may be as well to state that a ship that leaves China, as the Company's ships do, laden with tea—the finest and the lightest cargo in the world—must be a wretchedly bad ship if she can't make a voyage to Europe at the season of the year the most favourable of all others. There is an instance of one, the "Ganges," which was lost on the return voyage; that was a 1,200 ton ship. A tea cargo is perhaps better adapted for rendering a ship safe than any other that can be put on board a ship.

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5638. Are not articles exported to China less bulky than those imported from China?—I believe the East-India Company export very little to China, and what they do I don't suppose occupies one-third of the tonnage of the ship altogether. The freight is of great value, whether occupied or not; but they export articles of great value.

5639. Is not that the reason why they do not occupy so much room, that the articles are small in bulk and great in value?—Yes; that is a reason why they should furnish tonnage sufficient to bring home tea; but I have adverted to the lading of ships only partially from Bombay to China. It was the more remarkable, as the Company at the period I allude to, when these ships were but half laden from Bombay to China, received cotton as revenue from Guzzerat, which they might and ought to have sent to China in their own ships, to pay for the tea.

5640. Do you know what was the price of cotton at that time in India?—No; but cotton has always been an article of demand at China, and what in general realizes a profit. I think I might safely add, always from Bombay; but in general, certainly.

5641. The Americans trading in dollars principally to China, must, in an outward voyage, have almost the whole of the tonnage unoccupied?—Those ships which go direct to China; but the American ships, though they carry dollars, they occupy no room, and the ship makes a circuitous voyage by which she is navigated nearly two-thirds of the globe, carrying cargoes from port to port before she reaches China. I don't mention it as a general rule, but the American generally leaves his own country provided with dollars, and trades from port to port. I have found them in ports in India where an English merchant ship is hardly ever heard of.

5642. That was in former times, was it not?—It was before the free trade was open.

5643. Since the system of free trade, their trade has fallen off very much with India?—Yes; I conceive the free trade has been the ruin of the American trade altogether.

5644. They had ceased almost entirely to trade from port to port in India?—As far as my observation goes, it has been so much reduced that it could not fail to appear evidently; and I

17 June 1830. have little doubt that if the trade were open to China, it would ruin the American trade completely.

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5645. State your reasons for entertaining that opinion?—The advantage of the American over the English trader is, that he can proceed unfettered to different ports. I believe the Americans, during the time I was in the Eastern Archipelago, were carrying away a good deal of the Dutch commerce. It struck me, that if the English free trader were permitted to make voyages from port to port in those seas, they would derive those advantages which were of course preserved to the Americans. My opinion is grounded on the competition that would be effected by the free-trader being let loose against the Americans, which would of course prove injurious to their commerce.

5646. Do you think the apprehension of losing these advantages, which they had almost singly possessed before, has induced the Americans to relinquish any part of the trade in which they were before engaged?—The trade from port to port. There are several reasons, but they must be quite matter of opinion. I have communicated with a great many Americans, from a desire to obtain information. While cruising in India myself, I contemplated writing a work on the subject of the East-India Company's general establishments in India; and in communicating with many Americans, I frequently took the opportunity of observing to them, that I perceived there was much fewer of their shipping in those seas than I had seen before. I was given to understand the cause of it was, the trade was less profitable from the competition induced by the English free trade. I should imagine it was not unlikely that much of the capital was English capital, which was employed, probably, in foreign bottoms. Until the trade was open with India, that might have deprived them of the means to a great extent. I believe, if reference be had to the failures that took place in America immediately after opening the free trade; it would be discovered something or other operated most violently indeed on American commerce. I think, soon after the free-trade was opened, failures took place in America to an extraordinary extent.

5647. You laid before the Committee of the House of Commons a statement of the ships chartered by the East-India Company in the year 1826: have you got that statement?—Yes, I have a copy. If it is not precisely a copy, it is a calculation founded so nearly upon it, as to be substantially the same. The first, as it appears, is a copy of the names of ships and the rates at which they are engaged; and here is a statement also of the probable saving by engaging the tonnage at the rate at which it might be had if a smaller class of ships were engaged.

[*The following papers are delivered in by the witness, and are read:*]

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Capt. *W. Maxfield.*

A STATEMENT, exhibiting the NAMES, NUMBER, and TONNAGE of all Ships now chartered by the EAST-INDIA COMPANY, of every Description; the Rates of Tonnage, and Number of Voyages for which they are engaged; and also the Names of the Owners of such Ships, and the Time or Date when they were engaged.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £.	s.	d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Herefordshire	1,200	21	18	9	.. 6 ..	John Locke	1811, Jan. 11.
Vansittart	1,200	20	18	9	.. 6 ..	Joseph Hare	July 10.
General Kyd	1,200	23	6	9	.. 6 ..	James Walker	—
Minerva	976	22	2	10	.. 6 ..	George Palmer	1812, Sept. 2.
Thomas Coutts	1,334 A.	26	0	0	.. 6 ..	Stewart Marjoribanks	1816, March 29
Duke of York	1,327 A.	26	10	0	.. 6 ..	Stewart Marjoribanks	—
Orwell	1,335 A.	26	19	6	.. 6 ..	Matthew Isacke	—
Dunira	1,325 A.	26	9	0	.. 6 ..	George Palmer	June 5.
Windsor	1,332 A.	26	5	0	.. 6 ..	George Clay	Dec. 24.
Kellie Castle	1,332 A.	26	4	0	.. 6 ..	Stewart Erskine	1817, March 18.
Royal George	1,333 A.	25	13	0	.. 6 ..	John Fam Timins	1818, Oct. 14.
Repulse	1,334 A.	25	14	0	.. 6 ..	John Fam Timins	—
Farquharson	1,325 A.	25	15	0	.. 6 ..	John Christopher Lochner	—
Thames	1,330 A.	25	17	0	.. 6 ..	Henry Blanshard	—
Macqueen	1,333 A.	25	7	0	.. 6 ..	John Campbell	1819, Sept. 15.
William Fairlie	1,348 A.	25	7	0	.. 6 ..	Joseph Hare	—
Sir David Scott	1,342 A.	25	7	6	.. 6 ..	Joseph Hare	—
Berwickshire	1,332 A.	25	9	0	.. 6 ..	Stewart Marjoribanks	—

(continued.)

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No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Hythe	1,333 A.	25 9 0	6	Stewart Marjoribanks	1819, Sept. 15.
Duchess of Athol	1,330 A.	25 10 6	6	W. E. Ferrers	—
Bombay	1,242 A.	20 19 0	3	Henry Templer	1822, Nov. 13.
Charles Grant	1,246 A.	20 12 0	3	William Moffat	Nov. 12.
Lowther Castle	1,427 A.	20 12 6	3	John Crosthwait	Nov. 13.
Abercrombie Robinson	1,331 A.	21 0 0	6	Henry Bonham	1823, July 2.
Edinburgh	1,326 A.	21 0 0	6	Henry Bonham	—
Lord Lowther	1,332 A.	21 7 0	6	Henry Blanshard	—
Rose	955 A.	19 19 0	3	Thomas Milroy	—
Prince Regent	953 A.	19 17 6	3	Henry Bonham	—
Asia	958 A.	19 17 6	3	Henry Bonham	—
Marchioness of Ely	952 A.	19 19 0	3	Octavius Wigram	—
Marquis of Huntly	1,279 A.	18 18 0	3	John M'Taggart	Sept. 3.
Inglis	1,298 A.	18 5 0	3	Rich Borradaile	1824, Aug. 13
Atlas	1,267 A.	18 5 0	3	Charles Otway Mayne	—
Bridgewater	1,276 A.	18 4 0	3	James Sims	—
Warren Hastings	1,276 A.	15 7 0	1	William Sims	—
Princess Charlotte of Wales	978 A.	19 2 0	3	Charles B. Gribble	Sept. 8.
Marquis of Wellington	961 A.	19 4 0	3	Henry Bonham	—

(*continued.*)

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No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Warren Hastings	1,000 A.	18 5 0	.. 2 ..	John L. Minet	1824, Sept. 8.
Coldstream	733	12 5 0	.. 1 ..	John Dawson	1825, March 30.
Guildford	533	12 19 0	.. 1 ..	James Mangles	—
Albion	479	12 19 0	.. 1 ..	Charles Weller	—
Childe Harold	463	12 19 6	.. 1 ..	Robert Granger	—
Bussorah Merchant	510	4 10 0	.. .. ..	Charles Stewart	—
Malcolm	605	5 19 0	.. .. ..	R. W. Eyles	—
Lord Hungerford	708	7 0 0	These ships were engaged outwards for the voyage to Bengal,	J. L. Heathorn	—
Berwick	453	7 0 0		James Greig	—
Commodore Hayes	678	7 18 0		George F. Young	—
Broxbornebury	720	5 3 0	.. .. ..	Alfred Chapman	—
Java	1,175	6 2 6	.. .. ..	Joseph Hare	—
Cambridge	802	4 10 0	These ships were engaged for the voyage outwards to Bombay,	George Palmer	—
Lady Kennaway	547	5 0 0		George Joad	—
James Sibbald	666	6 9 0		Henry Blanshard	—
Maitland	634	6 17 6		Fraser, Living and Co.	—
Orient	596	14 7 0	For one voyage to China and Quebec,	S. Marjoribanks and Co.	1825, May 4.
Roxburgh Castle	599	14 9 0		Wigram and Green	—
Countess of Harcourt	517	15 0 0	For one voyage to China and Halifax,	Henry Blanshard	—

(*continued.*)

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No. 1. (*Continued.*)—A Statement exhibiting the Names, Number, and Tonnage of Ships, &c.

SHIPS' NAMES.	Tonnage.	Rates of Tonnage. £. s. d.	Number of Voyages.	OWNERS.	Time or Date when engaged.
Java	1,175	10 18 0	To bring cargoes from China, after performing the service for which they were engaged 30th March,	Joseph Hare	1825, May 25.
Broxbornebury	720	11 8 0		Alfred Chapman	—
Marquis Hastings	452	10 19 0	To bring cargoes from China,	George Lyall	—
Henry Porcher	500	10 19 0		S. Marjoribanks and Co.	—
In room of the Kent	1,300 A.	21 0 0	6	S. Marjoribanks and Co.	June 22.
Clyde	451	6 19 6	To carry cargoes to Bengal,	Joseph Hare	July 15.
Eliza	511	6 15 0		William Abercrombie	—
Marquis Camden	1,286 A.	18 18 0	3	Thomas Larkins	Aug. 17.
Lady Melville	1,257 A.	18 19 0	3	Octavius Wigram	—
Castle Huntley	1,311 A	18 19 6	3	J. H. Gledstanes	—
General Harris	1,280 A.	18 19 0	3	James Sims	Aug. 24.

The ships marked thus (A.) are entitled to an extra freight of £1. 10*s.* per ton, if sent to the Island of Bombay, for to the Continent of India, and from either of those places to China.

East-India House,
January 17, 1826.

In January 1826, by papers laid before the Court of Proprietors, it appeared that the East-India Company had engaged for trade 47 ships; *viz.* 24 for six voyages, some of which were hired as high as £26. 10*s*. 0*d*. per ton: others for three voyages; and only five for one voyage. The average rate of freight for such five was only £13. 6*s*. per ton each.

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Now the chartered ships above mentioned, 47 in number, collectively amount to about 55,601 tons, and the rate of freight above stated cost the Company per voyage, exclusive of demurrage...........	£1,187,778
The Company have also seven ships of their own, which collectively amount to 8,897 tons, and which, by reference to the papers and accounts submitted to the Court of Proprietors in 1826, average, taking them altogether, for the voyages they have performed, an expense per voyage on the seven, of or about £27. 8*s*. 8*d*. per ton	244,074
Making together the sum of	£1,431,852
The amount charged for 64,498 tons of shipping for one voyage.	
It is therefore evident that if the Company, instead of engaging ships as above, for six and three voyages, had hired ships for one voyage only, at £13. 6*s*. per ton, the amount of freight on 64,498 tons of shipping would have only amounted to	857,823
And a saving per voyage effected of	£574,029

There can be no doubt, however, that freight to almost any amount might be had to and from China at the rate of £10. 10*s*. per ton; and it is evident, if freight were engaged at such rate, a saving of no less than £754,623 per voyage might be effected in 64,498 tons of shipping.

Of the 24 ships taken up at the highest rate and engaged for six voyages, several are in the hands of one managing owner, some of whom have no less than five, consequently little comparative competition can be effected: while the ships engaged for one voyage at the lowest rate are generally the property and in the management of numerous individuals—hence the greater competition, and the more reasonable rate of freight at which they are obtained.

5648. When you say something operated, at the time of the free trade being opened, to occasion bankruptcies, do you speak of English capital embarked in the American trade, and which was withdrawn in consequence of the free trade being opened?—Not expressly that, though I think that is fair; it is a matter of conjecture. I can only attribute it to what operated in the same manner on the free-trader too. When it was first thrown open, I believe the competition was so great, that it led to serious distress among themselves; but it was not a little aug-

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5649. Had it been sent out before?—By officers and individuals; but there is a difference between carrying a perishable commodity in a man's own possession and a Company.

5650. Refer to page twenty-eight of those papers printed in 1829, and look at the account, No. 15, of the quantity of American trade cleared out from the different parts of British India from 1816 to 1826 and 1827, and state whether it does not appear that the American tonnage having amounted to 7,008 tons in 1815-16, amounted to 15,145 in 1816-17; to 18,083 in 1817-18; and to 23,944 in 1818-19. The effect which you say was produced on the American trade to India, by opening the trade, did not take place until five years after that trade had been opened?—I do not see those sums alluded to in this. I have spoken without reference to dates. It is possible my observation might have referred to the subsequent period, in which there is that great reduction. It is not probable that commerce would change its course in the course of a year or two; it is the natural consequence; it will take a little time before they will fall off. Bankruptcies would ensue, and it must find different channels to get into. The effect would not be simultaneous, certainly.

5651. It appears from this account, however, that the competition in the India trade did not effect the reduction of the American trade until the year 1828, but gradually increased in the first four years in the account?—It is possible the American trade might have increased at those periods, owing to our increased territorial possessions in India, which, of course, furnished more markets for American produce as well as English. While a great spur was given to commerce by the arrival of the free-trader, perhaps it operated, in many points which are difficult to explain, but which are easy to imagine.

5652. Did not the peace between this country and the United States take place in 1815?—I believe it did, about that period.

5653. If, in the year 1815, a commercial treaty was signed with the United States, which secured to them certain privileges in the Indian trade, would not that naturally have led them, for the first few years after the signature of this commer-

cial treaty, to go extensively into that trade so secured to them? —Undoubtedly.

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5654. May not, therefore, the increase of the years 1816, 1817, 1818, and 1819, be ascribed to that circumstance?—I should think it might, in a very great degree. I was not aware of the alteration in the treaty.

5655. From what materials have you drawn up this statement you have given in, of the names and numbers of ships chartered in the year 1826?—The paper exhibiting the names, number, and tonnage of the ships chartered in 1826, was a document furnished to me, as a proprietor of the East-India stock, by the East-India Company at the India-House.

5656. That is official?—It is.

5657. What is the average voyage of one of the East-India Company's ships from London to China and back, supposing a direct voyage?—It is a difficult question to answer well. A free-trader, I conceive, might make the voyage out and home in twelve months, and an East-India ship ought to be able to do every thing which a free-trader can; but as they send them circuitously, and often let them lay here at different parts of England, I have no hesitation in saying, that if I turned trader, and understood it, I would find the means of carrying out a cargo, if I were permitted, to China, if the Company carried on their trade in the mode they do now, before they get to Bombay, I would be at China, from the delay in their mode of transacting business. I can best illustrate it by saying that a captain of an East-Indiaman told me he gave up commanding one of their ships, because he could trade more conveniently by the free-trader, and pay for freight; "for," said he, "before I get my investment out, I am anticipated at Sincapore by the free-trader; they have supplied the market; and in the Company's ship I lose my chance, from the delay occasioned by going to this place and the other."

5658. Does that apply to the Company's ships bound direct from hence to China?—The direct ships that go from hence to China touch either at St. Helena or Madras; I don't believe any go direct from England without touching at some port; I imagine they touch somewhere.

5659. You don't know what length of time it does take to effect a voyage in one of the Company's ships from England to China and back, without touching?—No, I can't precisely answer the question.

5660. Do you consider the delays you allude to are inherent in the system in which the Company carry on trade to China, or are they delays that must be obviated by the Company itself?—They determine that their ships shall be at such an anchorage at such a time, and proceed very mechanically to work with

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them. They are to be in the Downs at such a period, and to sail by those periods; but the consequence must be apparent, when I advert to what happened during the Burmese war. To the best of my recollection, stores were required to be taken to India, and were about to be sent out by some of the ships then sailing. It occurred to me that those stores required the utmost expedition possible. The recollection occurred, how insufficient those ships were for such purpose, sailing at stated periods, while there were plenty of free-traders ready to sail, who could take them on board at an hour's notice; and, if military stores were imperiously wanted, I put it to any one whether it would not have been not only more economical, but more advantageous, to have sent them at once than by this tardy process.

5661. Does part of the delay arise from the size of the ships they engage?—A great part of the delay in lading a ship in a river must depend on the size; that is, in Calcutta a large ship would only advance as far as Saugor, while a ship of small size would proceed to discharge her cargo at Calcutta, and take in a fresh one. It is evident the communication by boats must create considerable delay.

5662. Do you conceive that if the private trader were permitted to trade to the port of Canton, he would find it his interest to proceed directly to Canton, without touching at any place, as the Company's ships do?—It would not be to the interest of an individual to make the voyage direct. A man who sets out in a speculative voyage, would do as the Americans do, go from this port to the other, until he can get a cargo to suit, and perhaps they change cargo two or three times; that would perhaps be the most beneficial voyage to him as a merchant, but it would also be a desirable voyage, as far as the state is concerned, in exciting enterprize and making good sailors.

5663. Did you ever know any Indiaman armed with as heavy guns as you have spoken of, eighteen pounders?—I have seen some with twelve and eighteen-pounders, a few eighteen.

5664. You have stated one Indiaman was taken by a privateer having eighteen guns?—Sixteen or eighteen.

5665. Do you think an Indiaman manned and armed as they are could make an effectual defence against any man-of-war of the smallest size?—If it blew hard, an Indiaman of 1300 tons might run a small man-of-war down.

5666. But if there were a fair fight between the two?—It is a difficult question to answer with accuracy. I imagine a ship or privateer of twenty guns would seek to engage one Indiaman.

5667. And when well managed and when well fought, ought to take her?—I think she would take her.

5668. In time of war do the Company's ships sail with convoy or not?—With convoy wherever convoy can be had.

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5669. If an adequate convoy were supplied to them, this expensive armament would not be necessary?—Undoubtedly not.

5670. Do they ever venture to run alone in time of war?—Yes, frequently; but, perhaps, to meet the question in the broadest shape, it would be worth while to refer to what would be the insurance at Lloyd's on ships sailing; I am not aware what it would be, but the Committee would see the comparative profit or loss in a commercial point of view, by what the underwriters would insure a Company's ship, or any other, in time of war. I don't imagine it would make a great difference.

5671. Do they sail better than ordinary merchantmen?—Why most of the Company's large ships are certainly good sailers, very fine ships, and they ought to be very fine ships, for they are very expensive ones; but there may be found among merchants many good sailing ships, and some bad ones. I have seen some of the Indiamen sail as bad and as well.

5672. Is the building of a Chinaman like the building of a man-of-war, or principally adapted for carrying a cargo?—By no means. In the building of a man-of-war, she is expressly adapted for guns and war; they have guns and port-holes also, but her bottom is widely different in the shape as well as the general construction. The Indiaman is not particularly well adapted for war; they are all able to have guns aboard, but they are not adapted for fast sailing.

5673. She would not be able to run away from a man-of-war?—Unless the man of-war was a bad sailer; a man-of-war ought to catch her upon a wind, or free, or any way.

5674. Is there any disadvantage in having those large ships so occupied in time of peace?—I can't conceive any.

5675. If it is advisable to have that class of ships in time of war, are they retained for use in time of peace merely because they have been employed before?—I conclude that is the principal cause; and also, if you refer to their being taken up six voyages, you can't get rid of them till they have run six voyagesout; and next, it would appear hard to induce a man to build a ship inapplicable to other commerce, unless you continue to employ her till she is worn out. Generally there is a desire to build such a ship of that class, knowing they are paid a high degree of freight for them, the owners secure, under certain circumstances, permission to build again on the keel; or, if the ship is lost, there is a clause in the Act enabling them to build another to run the remainder of the period.

5676. So the practice of having vessels of that size and of that construction in time of war, necessarily involves a corresponding expense in time of peace, that otherwise would be useless?—Clearly so.

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5677. That is only until the expiration of the existing contract; at the end of six years all the ships must have run out?—No, not at the end of six years—six voyages.

5678. Have the Company made no new contracts with ships of that large tonnage in time of peace?—Yes, constantly, and they are doing it to this hour, I suppose.

5679. With what view?—Mostly, probably, to the continuance of their commerce.

5680. As these large ships are useless in time of peace, and as it appears by your evidence smaller ships would be more convenient, to what do you attribute the East-India Company having persevered in the time of peace, when they are not compelled to do so, contracting for the construction of these very large ships?—I can't understand, unless it is a predilection they have for large ships, with the particulars of which I am unacquainted. They have a common partiality for that class of ships; and they have in effect shewn, not only partiality for it, but conferred advantages on owners and officers of those ships, which are inconceiveable. I shall illustrate that by saying, that the East-India Company, by their regulations, give the owners of these ships the power of conferring military rank on the commanders, and they give the commanders of these regular ships a precedence with captains of marines, by which they give them a rank equal with that of lieutenant-colonels in the army. If the owner of a ship is building a ship for the Company, and letting it, he has the means of conferring military rank on the person commanding, whatever his age or standing is, if he is eligible to command, which he is after having served so many voyages.

5681. Military rank in India?—Yes; perhaps I may explain that last piece of evidence; I mean precedence. I don't know whether I ought to apply "rank" to it; I mean precedence.

5682. What sized ships, on the whole, do you think it would be most advantageous to carry on the commerce with?—I think 500 or 600 tons would be sufficient to carry on the commerce with the whole globe.

5683. Is that the size used generally by the free-traders?—Yes. As a reason for stating a ship of 500 or 600 tons is sufficiently large, and best adapted to carry on trade with any part of the world, I should mention she is a block of infinitely less value than a larger one; consequently, a man of small capital can fit out such a ship, while the possession of the large ship would be confined to fewer. At the same time, it would be easier to load a small ship at all times than a large one. A cargo might be had for a small vessel when a full quantity could not for a large ship.

5684. You think there is no particular reason attached to the

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trade in tea at China, which renders it more desirable to have ships of a larger size?—I am not aware of any, except the advantage derived from the port dues at Canton; if it were a very considerable advantage, the Americans would have followed the example, and have taken larger ones.

5685. There is no greater danger of breakage of chests of tea in a small vessel than a large one?—I imagine not, if the ship is good, and properly taken care of.

5686. Do you know the average size of vessels that trade to Canton?—I only speak from fact; I have not been at Canton. I suppose an American ship is generally of a smaller class—from 400 to 600 or 700 tons. It is a large ship for an American, 600 or 700 tons.

5687. How do the Americans conduct their voyage with the ports between America and China that they visit?—That would be a difficult thing to say; they are in the habit of making the most circuitous voyages of any traders in the world occasionally.

5688. Do you not conceive that the system which is now pursued by the East-India Company, both in their mode of building and the fitting out of their ships, as forming a valuable part of their power and patronage?—Undoubtedly.

5689. How is that, if they take ships by tender only?—The ships built for the East-India Company themselves, called the Company's own ships, constitute employment for a certain number of captains and officers, the employments for whom are in the gift of the Court of Directors; and that becomes direct and positive patronage.

5690. How many of these ships are there?—Seven, I think; there were seven when that return was made.

5691. As regards the others, which form the greater number, is there any patronage exercised in the hiring of them?—There is one piece of patronage, the value of which I cannot pretend to state, which is the gift of the voyage. The Directors individually have the nomination to certain voyages. I speak from hearsay. The gift of a China voyage is always considered a very good thing. Many years ago it was a very large advantage.

5692. To whom is it a good thing?—To the captain; the gift of the voyage to the captain. The nomination of the voyage to the ship is the patronage I advert do.

5693. There is no patronage to the person who furnishes the ship?—The person who furnishes the ship has the patronage of appointing the commander to the ship, *ab origine;* the voyage afterwards is the patronage of the Court of Directors; that is, the nomination to the voyage. The person is originally appointed by the owner, with the concurrence of the Company; probably the captain is a part-owner of the ship in many cases

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5694. After it is taken up for a certain number of voyages?—The different number of voyages.

5695. When they do take up ships, don't they state for what purpose they are to be employed?—I apprehend the charter-parties are pretty general, and not to particular voyages. I suppose, by the form of the charter-party, they can employ it in any port they chuse.

5696. When a ship is taken up at a certain rate of freight for six voyages, what is the condition which the person who lets that ship to the Company, takes upon himself; is he obliged, at so much a year, or at so much for the outward and homeward voyage, to furnish that ship?—I believe it is at so much per ton per voyage. This is a fact well known; though I can't speak from more than a general knowledge of the fact, never having had a ship of my own. They take up ships, I believe, at so many pounds per ton per voyage; being entitled to the demurrage under particular circumstances; that is, such as the present detention at China. I suppose the owner is deriving demurrage for the whole period his ship is detained.

5697. The East-India Company having taken up the ships at eighteen guineas a ton, does it entirely rest with the Company whether they shall go to India and then home, or go to China direct, or make a circuitous voyage to China; does the rate of freight remain the same whatever the voyage is?—No; for as the ships are taken up, almost all are numbered. In that list there are stars placed against the ships which are entitled to £1. 10*s*. more if they are sent to ports in India. At the conclusion of the list it specifies that.

5698. So that it is an advantage to the owner of a ship that it shall be sent to China rather than to India?—I don't know that the owner has any particular advantage in it; I don't know that it is of importance to him where it is sent to.

5699. The advantage is to the captain?—The advantage of the voyage must be to the captain important.

5700. From your knowledge of the Bombay marine, are you of opinion that it is absolutely necessary that the service should be performed by a marine at the disposal of the local governments, or might it not be performed by ships in the King's service?—Undoubtedly his Majesty's ships are equal to perform any duty the British Government can impose on them; whether it would be conducive to the convenience of the government in India that they should be left to perform their duty as they thought proper, or as the government wished, I leave the Committee to determine.

5701. What, in your opinion, are the peculiar advantages in having a marine at the entire disposal of the local governments,

if the Bombay marine is now sufficient?—Government is constantly in want of vessels of war; and unless some are at their disposal, they must be very often reduced to considerable difficulty. I think it will illustrate the fact by shewing that in the year 1813, when a dispute was likely to take place with the Emperor of Ava, the government sent a twenty-gun ship from Calcutta at their disposal, and possibly averted a war which must have resulted had they had no vessel of force to have overawed the Burmese.

5702. Could not all the service performed by the Bombay marine be performed by the King's ships in India, as similar services are performed in the King's colonies and elsewhere?—Undoubtedly, if they are placed sufficiently under the authority of government, or at the disposal of government; if government possesses sufficient authority to send them where they think needful.

5703. Can you form an estimate of the comparative cost of a King's ship and a Company's ship of the Bombay marine?—No, I have no means of forming a correct estimate; and to take the expense of a Bombay marine from the amount carried to the debit of the marine under the common head of marine charges of India, would be an erroneous mode of estimating the actual expense of particular ships; for I believe, under the head of marine charges are lumped a great many other charges, which might make it appear a very small force was retained at a enormous expense. I individually believe, from my knowledge of the mode of outfit, that they are generally conducted very economically.

5704. More so than the King's ships?—I can't speak to the fact. I have no actual experience of the expense of one of his Majesty's ships; I have no hesitation in saying they are usually comparatively much cheaper than the Company's merchant ships. Of course a ship with a great number of men must be, in point of comparison as to size, more expensive. But looking at one as a man-of-war, and at another as a merchantman, they are infinitely cheaper.

5705. What proportion of the crews consisted of natives of the East at the time you were acquainted with the marine?—It has been in different ships in different numbers. I have commanded a twenty-gun ship belonging to the Company, in which we had not about twenty natives, all the rest were Europeans. Much depends on the exertions of the commander himself, who would endeavour to procure a crew; for the government furnished you with no means, neither furnished you with men, nor were there men provided from this country for manning the marine. It more particularly depends on the exertions of the commander to pick up a crew; they were generally a motley set of Europeans and natives, and such as they could collect.

5706. Were did he find them?—You send to crimps in public

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houses at periods; and when it was inquired if any men were to be had, I gave the crimp an allowance; he is usually called the crimp; he brought you men where he could.

5707. Of what description; did you get the worst description of men out of vessels of all nations?—Not the worst; but, speaking of them as a crew of a man-of-war, an inferior crew. Not the worst of all nations; occasionally there are very good men. I have commanded a ship out of Bengal remarkably well manned; but it proceeded from the circumstance of a great many English seamen being to be found in Bengal unemployed. I had little difficulty there, but it was great at Bombay.

5708. Have not the Company sent out seamen from this country?—Not in my recollection seamen; they have sent out marine boys, perhaps lads from the Marine Society. I don't recollect during my time their sending out men.

5709. In any number?—Yes; at one time they sent out a few hundreds of them, but afterwards they desisted; in fact, there was no system adopted for manning the marine, during the whole time I was in it, by either of the governments; at least, it was under the efforts of the commander himself.

5710. Were the native sailors all Malabars?—No.

5711. What was your whole complement of your ship of twenty guns?—The Malabar had about 140 men on board.

5712. What was the extent of the Bombay marine, and what was its force, when you were in command?—At different times, I was in it twenty-five years, sometimes more and sometimes less. Latterly it has been so small as to be insignificant.

5713. In war time?—We had at one period a fifty-gun frigate, another of thirty-two guns, and a twenty-gun ship, and some smaller vessels; but during the last few years of my service they had no frigate at all. It was most insignificant as a naval service, from the inefficiency and neglect that was shown; it was neither provided with a code of laws, nor with men.

5714. That twenty-gun ship was your own?—Belonging to the government; I commanded her.

5715. Had you an opportunity to try your men in action?—Yes; not in that ship; I was in the expedition to Java, but they did not come into action. I have on other occasions been in action; the crews have generally behaved remarkably well; but the composition of the men, speaking of them as men of war, is very inferior.

5716. And you had the means of enforcing discipline, but it was not very good?—Much would depend on your own judicious management. Your are furnished with no legitimate authority There was a system of discipline preserved with much pain and difficulty, and in many cases it answered tolerably well; but it more particularly hinged on the management of the commander himself.

5717. It is a service in which promotion is extremely slow? —Very. 17 June 1830.

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5718. It offers very few inducements for a gentleman to enter it?—Very few indeed.

5719. The Arabs are very efficient seamen, are they not?—They are very muscular, strong, hardy men; but I can't say that they could bear any comparison with an English sailor; they are some of them remarkably muscular and strong, equal with the European; but that is not the composition of the native crews; they are natives of India, Mahomedans.

5720. Which are the best seamen of that country?—The Gogorees, from a small place in the Gulph of Cambay; they are the best native sailors.

5721. Are they good seamen between the coast of Malabar and the Red Sea in Arabia?—They have large ships. Speaking of Arabs, we should say, at all times they were very lubberly; they are brave and hardy, and would fight very well, but without organization; that sort of fighting which would result from bravery without discipline. I should not call them good seamen.

5722. What number of native seamen could you venture to put on board a man-of-war, without diminishing her efficiency as a fighting vessel?—I would not wish to have more than would man a couple of boats; they are less likely to drink, and give you trouble by getting drunk on shore, than the English. I contrived to have a couple of boats' crew; and, having so few, I contrive to get very good men. I should be sorry to command a cruizier with a large proportion of natives on board. If opposed to an European enemy, I would prefer my own countrymen.

5723. Is not the heat so extreme in the Gulph of Persia as to make it necessary to have the natives to perform the ordinary duties on deck?—I can't conceive it imperatively necessary to have the natives to perform the ordinary duties on deck. Our soldiers have their duty to perform in India: it is more irksome to perform the duty of a common soldier on shore than it is for a sailor.

5724. Have you ever turned your attention to any improvements it would be possible to introduce into the Bombay Marine?—Yes; I submitted to the Court of Directors, when I first returned from India, some plan for improving the corps; but I ceased to turn my attention to it. Finding such a variety of difficulties to be got over, which I saw no prospect of surmounting, I gave it up.

5725. Can you state the outline of that plan?—I think I have a copy of some part of the plan, which I can submit; it is not with me at present.

5726. Though you have not been in China you have had an

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opportunity of seeing a good deal of the Chinese in the Eastern Islands?—Yes; and I have met with them there when I was at the Eastern Archipelago.

5727. Do you find them generally superior to the inhabitants of the East, in habits of commercial enterprize and activity?—Taking them as artificers, they are undoubtedly very superior, and their merchants are not inferior in ability; there will be found, among many of the natives of India, men gifted both as merchants, and in every way quite to be compared with the merchants of every other country. The Chinese are distinguished as merchants as well as artificers.

5728. Were you ever in the Red Sea?—Yes, three times.

5729. Would there be any difficulty in navigating steam-boats?—Not any.

5730. Do you find a difficulty in navigating it in a sailing vessel?—No, not any.

5731. All the dangers were laid down, and above water?—The principal difficulty that occurred was, the want of accurate charts, which is now compensated in some measure. I was in the Red Sea on a survey myself; many ships were lost in the expedition, but it was owing to the sea abounding with shoals, and having no good chart to guide them.

5732. They are very well laid down at present?—I can't say the Red Sea is as far as my knowledge went, for we were on a survey for a short time, unless some accurate survey has taken place since; it abounds with shoals; but the direct navigation for ships is clear and extensive enough; so that a ship with a good chronometer has plenty of room. Indeed a man must be an inferior navigator who could not contrive to get up and down under ordinary circumstances safely.

5733. The gales are not very severe in other parts of the Red Sea?—They blow hard for a short time, but they seldom last long; they blow hard for a short period.

5734. What prevented you completing your survey?—I accompanied Lord Valentia in 1813, and commanded a small vessel. He was in a larger one. The vessel I commanded was found to be excessively rotten—not seaworthy. It was condemned at Mocha, and I returned to Bombay: he went on, and landed at Suez. It was a cursory survey. The Court of Directors appointed me to survey the Red Sea; but Government never had their orders carried into execution.

5735. They were sent to Bombay?—They were sent, through the government at Bengal, to Bombay, but never were acted upon.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned till to-morrow, one o'clock.

Die Veneris, 18° *Junii* 1830.

The LORD PRESIDENT in the Chair.

HOLLINGWORTH MAGNIAC, Esq. is called in and examined as follows:

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5736. You were an agent at Canton, were you not?—I was.

5737. For how many years?—I first went out in 1809; I returned home finally in January 1827; I was at home at two intervals during that period; I was not resident there the whole of the time.

5738. Did you transact business on your own account, as well as for your constituents?—Occasionally.

5739. To any extent?—To a considerable extent in opium, and also in goods to England latterly.

5740. Who were your principal employers; persons engaged in the country trade entirely?—Almost entirely.

5741. Have you at any time done any business for persons residing in England?—Very trifling.

5742. Of what articles did their exports consist?—Formerly there was a little business going on in Prussian blue, and a few manufactures of that kind from England; but of late years that has been entirely done away by the Chinese having acquired the art of making it themselves; it was to a small extent.

5743. Were you at any time engaged in selling woollens or cottons for English merchants?—Never woollens, that I recollect; and very little cottons during my time; but since I have been away, I believe the house has had considerable consignments in cottons and cotton yarns, but to what extent I am unable to say.

5744. During the whole of that period it would have been possible, would it not, to have sent the manufactures of England to Sincapore, and thence tranship them to China?—I conceive it would.

5745. What would have been the charge of transhipping those goods outwards at Sincapore?—I am not aware what commission the agent would charge there, but I believe so much a package; I should not think it can amount to more than a half per cent.; not one per cent.

5746. With that additional charge, English manufactures could then, and can now, be sent to China?—I conceive so.

5747. That would be the amount of charge additional to that which would be incurred, if they were sent directly to China?—Yes; English manufactures could then and can now be sent

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direct to China in the Company's ships, with the exception of woollens.

5748. To what extent may they be sent by the Company's ships?—To a considerable extent; the ships go out almost empty direct to China.

5749. Do the merchants of Great Britain consign any quantity of goods direct to China by those ships?—Yes; there is no impediment, I believe.

5750. If those goods are sent in the Company's ships, do the Company's factors sell them at Canton, or do the owners sell them by means of their own agents?—The Company's agents are not permitted to transact any business, excepting for the Company.

5751. The price of woollens and of cottons have fallen about fifty per cent. in the course of the last ten years, and such facilities as you have mentioned existing, of sending British manufactures to Canton by the Company's ships, and by the channel of Sincapore, to what circumstances do you attribute the non-existence of any considerable export of those manufactures?—I have stated the facilities to exist, because I am not aware of any impediment, but I have never tried them myself. The impediment consists in the difficulty of making returns direct to England.

5752. The British merchant has at present, has he not, the means of exporting from China, by way of Sincapore, all Chinese produce and manufactures to England, with the exception of tea?—Yes, I believe he has.

5753. With the small additional charge upon transhipment you have mentioned at Sincapore?—Yes.

5754. It is therefore the want of the remittance in tea which, in your opinion, creates the great difficulty in the returns?—The want of some return. Tea would be a very eligible one, no doubt.

5755. Are there not at present all other kinds of remittance, except that by tea?—Yes, I believe there are. There are means of making returns in the Company's ships to a certain extent in the commanders' and officers' privilege.

5756. Will you have the goodness to explain the course of trade which you carried on when you resided at Canton?—The trade we carried on, independently of acting as agents, was principally in opium, almost entirely indeed; and the simple proceeding in that was, to remit funds from China to India for the purchase of the opium, which was then transmitted to the house in China, and the funds returned again to India for a repetition of the proceeding the ensuing season.

5757. What was the course of the trade which passed through your hands as agents?—Consignments from India, and a return

of the funds there or to England, if possible, as we were instructed.

5758. Did you, to a considerable extent, return those funds to England?—As far as we were able ourselves, we did so.

5759. In what articles did you return those funds to England?—We generally sent home such goods as we thought would answer our purpose in England, and drew against them.

5760. What were those goods?—Raw silk, silk piece-goods, nankeens, and also bullion and dollars occasionally. The remittances in bullion and dollars have occurred of late years, since the exchange has been so low.

5761. Was the profit upon those articles considerable generally?—No, certainly not.

5762. Those returns only effected the object of remitting your funds to England?—Exactly; and would only be done when the exchange was very low in China—such as 4*s.* to 4*s.* 2*d.*

5763. Where did you purchase the opium which you exported to China?—At the Company's sales, through our agents, either at Bombay or Bengal.

5764. Did you ever purchase any at the Portuguese settlement?—Never, while the concern was under my management.

5765. Have you ever exported Turkey opium?—No; but we have purchased it very often in China.

5766. To any considerable extent?—Sometimes to a considerable extent.

5767. Is the sale of Turkey opium so considerable in China as to interfere with the price of the opium from Bengal?—It no doubt interferes so far as it increases the quantity imported, and is likely to do so more, perhaps, as I believe its consumption has greatly increased.

5768. Is it as well adapted to the taste of the Chinese as that from India?—No, it is not.

5769. For what purpose is that opium generally used?—For smoking, I believe; for medical purposes; that it is much stronger and better; but it is not so pleasant for smoking, being stronger; and I believe the Chinese mix it with the other kinds.

5770. Do you know whether the trade in Turkey opium is increasing?—It has increased.

5771. As rapidly as the trade in opium from India?—I believe about as rapidly, supposing my information to be correct.

5772. What is the present price of a chest of Bengal opium?—The latest price-current I have received was dated in December last; 830 dollars per chest for Patna opium was there quoted.

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5773. What was the price of Malwa opium at the same time?—At that time the Malwa was 780 dollars, but in January it was 730, a fall of fifty dollars having taken place on the Malwa, but not on the Patna.

5774. What was the price of Turkey opium at that time?—700 dollars.

5775. Is not the price of the Malwa opium usually higher than that of the Bengal opium?—It was during the early importations very much below the Patna and Benares, which it gradually attained or nearly so; but by the last accounts it appears to be 100 dollars under those kinds.

5776. Is the opium of Patna used for the same purposes as the opium of Malwa?—It is all used for the same purposes.

5777. What has been, within your recollection, the price of Patna opium?—Extremely various. I have known it as low as 700 dollars, and I have known it as high as 2,000 dollars.

5778. Have you known so great a variation in the price of Malwa opium?—Not so great. The Malwa opium has been introducing itself gradually for a series of years, and has been working upwards with reference to the Patna, returning a comparative value.

5779. The Malwa has more strength, has it not?—The Chinese use it entirely for smoking; and in reducing it to a fit state for that purpose, the Patna produces usually fifty or fifty-one per cent. of smokable extract. The Malwa, on the contrary, should yield from seventy to seventy-four or seventy-five. Seventy-two may be taken as the average, when of good quality.

5780. Is the smokable extract produced by the Patna opium superior to that produced by the Malwa opium?—I believe it is considered more delicate, and it would appear to be so, as the price has almost always exceeded that of the other kinds.

5781. The price has never been in the proportion which the smokable extract of one opium bore to the smokable extract of the other?—In the earlier introduction of the Malwa, the disproportion was very great in that respect: but the Malwa opium was then working up-hill into general use; now it has become more nearly equal in that respect.

5782. It appears by the account of the value and quantities of cargoes imported into Canton and Macao on the tonnage employed in the country trade, page 44, that in the year 1817-18, 2,435 chests of opium were imported into China; in the year 1820-21, 3,377; in the year 1823-24, 5,930; in the year 1825-26, 11,050; and in the year 1827-28, 9,475 chests; are you enabled to state what the imports into China were in the years 1828-29 and 1829-30, specifying the quantity of Turkey and Indian opium?—I am afraid that I cannot give the imports separately, but the total amount of Indian opium consumed in

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China in the year 1828-9 was 13,132 chests, shewing an increase over the previous year of 3,657 chests, and yielding in dollars 12,533,115. The quantity of Turkey opium consumed in that year was 1,600 peculs. The chests of Indian opium are assumed to contain each a pecul; they contain much more in fact when it first arrives in China, but a considerable reduction in weight occurs in the keeping. A pecul consists of a hundred catties. On its arrival in China, a chest of Indian opium usually weighs about a hundred and fifteen catties, but it loses so much in the course of a few months that a chest which weighed a hundred and twelve originally will yield at the end of the season a hundred catties only. The Turkey opium consumed, as before stated, amounted in value to 1,040,000 dollars, making a total of 13,573,115 dollars for the total consumption of opium, Indian and Turkey, for China in that year.

5783. Will you state the quantities in 1829 and 1830?—I can state for that year the different quantities sold by the Company. In Calcutta the Patna and Benares amounted to 7,909 chests. The quantity of Malwa declared for sale was not to exceed 4,000 chests; I have taken it therefore at that amount. The opium that came into China through the Portuguese settlement of Damaun amounted (and it had all arrived in China) to 4,596 chests, making a total for the market in 1829-30 of chests 16,305. Of the Turkey opium for that year I have no account, but I have estimated the quantity for that year at 1,800 peculs, which I think may be about the amount, which would make a total of 18,105 chests of opium.

5784. Can you state the value of that importation in 1829-30? —I have an actual return of consumption for the first six months of that year; the year commences on the 1st of April 1829; the actual consumption of the first sixth months in Indian opium amounted to 8,041 chests, and yielded 7,161,154 dollars. In order to arrive at a conclusion for the ensuing six months, of which I have no actual return, I have therefore taken a sort of average, under the latest quotations of prices which I have received, shewing a fall of nearly 100 dollars in the Malwar opium; supposing the same number of chests to be consumed in the last six months, therefore, they would produce 6,600,000 dollars, shewing a total of 13,760,300 dollars. I find that the price of Turkey opium had increased very much, having attained 700 dollars, while the Malwa was only 730. That is quite at variance with my experience formerly.

5785. What would be the total amount of that opium imported into China in the year 1829-30, if the whole of the Turkey opium had been sold at the price you have stated?—I estimate the consumption at 1,800 peculs, but I may be mistaken. Supposing that to be correct, however, the amount would be, 1,260,000; but as this kind is very fluctuating in its

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5786. To what circumstance do you attribute the great increase of the opium trade within the last ten years; was it formerly conducted under different circumstances?—In some degree it was; but I think that it has been gradually extending itself over China, owing to the price being now much lower than it was when the quantity was smaller.

5787. What has been the diminution in price, on an average?—That is a matter of calculation, which I cannot answer without going back to previous years, and comparing the prices.

5788. Was the price of 2,000 dollars you mentioned for Patna opium an extraordinary price?—It was a very high price. I believe it has been as high as 2,500 at one time, but not at the time I was in China.

5789. Should you say that, on the average, the price of opium had fallen fifty per cent.?—I think I may say forty per cent.

5790. Was not the whole of the trade formerly carried on at Macao?—Yes.

5791. What circumstance induced the merchants importers to deviate from the practice of transacting the whole of their opium business at Macao?—The duties and charges that the Portuguese imposed, and the difficulties the Mandarins there threw in the way of the trade, which partially drove it to Whampoa, and finally and entirely to the place where it is now carried on.

5792. At periods when the ordinary trade of the Company has been interrupted, has the opium trade been interrupted likewise?—That would have no effect upon it generally speaking.

5793. Is it understood that the importation of opium from Damaun has been very profitable?—It has been very profitable, but not the last season.

5794. Do you know in what manner the opium is brought to Damaun?—I do not; I have no local knowledge in that quarter.

5795. In whose hands is that particular branch of the trade?—The hands of the Parsees principally.

5796. Do the Portuguese share in it to any extent?—To a certain extent they do, but not to a great extent.

5797. What is the price of a chest of opium at Calcutta?—It varies very much.

5798. What is the average price, when you speak of the price at Canton being 700 dollars?—I should think about 1,500 to 1,700 rupees; but I have not data to give an accurate answer to that question, it varies so very much.

5799. If the price of the Calcutta opium were lowered, even

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in a small degree, could the Turkey opium come into competition with it?—The lowering the price of the Bengal opium must affect the price of the Turkey opium.

5800. Do you know at what price Turkey opium can be imported at a profit?—I do not know; for I never purchased any in Europe. It is principally in the hands of the Americans; in fact, almost entirely in the hands of one American house, who have nearly a monopoly of it in China. By holding such large quantities, they have a greater command of the market there.

5801. You do not know whether it has been a profitable transaction or not, at the rate of 700 dollars a chest?—I should think it must have been so; but that is the latest price. I have known it 450, and 500, and 550. It has risen very considerably since I left China, two years ago. It fluctuated very much, according to the quantities thrown in, and the Turkey being principally in one house, they controlled the market almost as they pleased.

5802. Are you able to state at what price it becomes a profitable transaction to the proprietor?—I am not at all, for I do not know what price they give for it at Smyrna.

5803. Do the Chinese authorities never interfere with the importation of opium?—It is not imported regularly; it is sent into the country from the ships. Every now and then there is a very strong edict issued against the trade; but, like other Chinese edicts, it is nearly powerless. It imposes a little difficulty perhaps for the moment, and enables the Mandarins to extort from the dealers.

5804. Do the Russians import any on the frontier?—No, I should think not; I never heard of their importing any. The Russians made an attempt, some years ago, to come to China by sea, and there came down an order to seize the two ships, and they would have been seized but that they had luckily sailed. They were under our management; but long before I was in China an order came down to seize the ships, and send up every man in confinement. The emperor did not understand how they could come to China from two opposite quarters. The Chinese said the English must have shewn them the way, or they never could have found it.

5805. It appears, by the return to which reference has already been made of the imports into Canton, that the largest import of cotton was 342,735 pekuls in 1826-27; that the imports in 1825-26 and 1827-28 were about equal, amounting to a little more than 270,000 peculs in each year; will you state any information you may possess as to the imports of cotton in 1828-29 and 1829-30?—I can state the imports in the year 1828-29, as taken from the Canton Register, and I believe that source of information to be correct. The importation in that year, from the 1st of April to the 15th of February, when probably the

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whole for that season had arrived, was, from Bombay, 112,631 bales; from Bengal, 58,326; from Madras, 13,643; making a total of 184,600 bales, weighing 474,223 peculs, or 63,229,700 pounds weight. The source from whence I get this information does not give the value it yielded in China, but I have taken the average of it at nine tales, which would shew in dollars 5,552,875.

5806. Have there been any considerable variations in the price of raw cotton in China of late years?—It has declined very much of late years.

5807. Has the quality of it been equally good with that of the cotton formerly imported into Canton?—The quality, when first I knew Canton, was very much superior, or there was a portion of it very superior. That superior description now probably finds its way to Europe.

5808. Did it appear to you that the cotton was inferior generally in its mode of cleaning to what it was formerly?—The superior kinds were, of course, better cleaned, they could afford the expense; the inferior kinds not so well cleaned.

5809. Have the goodness to look at this account, and state whether the import of any smaller articles of account has increased within the last two years?—(*The Account No. 29 being shewn to the witness.*)—I think I can hardly speak to that. I have been away four years, and these are minor articles that come in small quantities only.

5810. Do they appear in the price-current?—They do.

5811. Can you state from the price-current whether there has been any increase in the importation of them?—I should imagine the small articles from the Straits continue much the same; but there has been an increase in some articles; for instance, woollen cloths, cotton goods, and cotton yarn.

5812 Whence have those woollens been imported?—From England; by the Americans almost entirely.

5813. The account refers to the country trade only; have woollens been imported by the country trade?—I am not aware of that.

5814. Have cotton manufactures?—Cotton manufactures, to a certain extent, have come from England by India; but that is a branch of trade which has sprung up principally since I left China.

5815. Do you understand, from the accounts you have received since you left the country, that the importation of cotton manufactures is increasing?—My account is not very positive; but I should apprehend it is increasing.

5816. The inhabitants generally are clothed in cotton, are they not?—Almost entirely, excepting the richer classes.

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5817. Are the cottons of England cheaper than their cottons?—Their cottons are very cheap, and very strong. I should think, with the present low prices of cotton here, we should compete with them in point of price, but that our cotton articles are not so strong as theirs.

5818. If they could obtain for less money as good an article as they obtain from their own manufacturers, have they any prejudice that would prevent their purchasing it?—I believe none whatever. The duty on the raw material brought into China, is so very trifling, and labour is so cheap, that they can manufacture it very cheaply themselves.

5819. The value of the imports into China having increased so much within the last ten years, in what manner have the returns been made?—In bullion, in bars, in dollars; principally broken dollars, and in goods and bills of exchange.

5820. Have the goodness to state the proportion?—To England, silk, piece goods, raw silk, drugs, and nankeens, are the principal articles.

5821. Those you consider as merely effecting a remittance?—Yes, merely.

5822. Have they been to any considerable amount?—I should think the raw silk and nankeens have, as our house have drawn already this season about £120,000 against remittances of that kind, by which I conclude that they are sending considerable remittances.

5823. What do you apprehend to be the total value of the remittances made direct from China to England in goods, as the returns of the country trade?—I am hardly able to speak to that; I have not made a calculation of that.

5824. In what are the remittances made to India?—In bullion, bars, dollars, and in goods, of which there is a long list, and bills of exchange.

5825. Have you the quantities?—No, I have not; with some exceptions they are very trifling; the principal are sugar, sugar candy, cassia, and raw silk of a coarse kind to Bombay, and also some of the finer kind sent eventually, I suppose, to England; some nankeens, pepper, glass beads, fruits, and ginger.

5826. Have the goodness to state what proportion of the returns was made in bullion?—The exportation of bullion from China in the year 1827-28, which might possibly include a small amount to London, but I am not aware whether that was the fact, was 5,668,000 dollars.

5827. All silver bullion?—Yes.

5828. Is that larger than the usual export into India from China of late years?—It is rather larger. That of 1828-29 I have not got for the whole year, only up to the 15th of February,

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when there had been exported 4,622,298 dollars, of which the greater portion was in broken dollars.

5829. Why are they broken?—The Chinese in paying dollars to each other have a practice, with a small iron stamp, of striking a print upon each dollar, as a mark of their own; the consequence is that as every body who pays a dollar gives it a blow of that kind, they soon become cut into small pieces, so that when exported they are sent to the mint.

5830. Have you known any attempts to carry on a trade in opium on the coast of China?—Yes, there have been several, but I believe not with much success; I believe we were concerned in one or two attempts during my absence in China, which we were not encouraged to pursue.

5831. Have any attempts been made to carry on a trade in cotton or any other articles on the coast of China?—Previously to my arrival in China, I think in 1806 or 1807, the house I afterwards joined sent a cargo of cotton to Amoy, under an engagement of joint participation with a native of Chinchoo residing at Canton, which he gave expectations of being a very profitable concern, under the management at that port of a relative of his own. My recollection is not very distinct as to the particulars of this transaction having taken place previous to my arrival in China, but the result was, that the Mandarin's exactions in that port were so great, and such difficulties were thrown into the way, that the Chinchoo-man's relation on the spot was unable to effect the sale, and the ship returned to Canton with the cargo unsold.

5832. Has the cultivation of cotton been increased in China of late years?—Our information is very vague in regard to the interior of China, but I apprehend it must have increased, from the circumstance of their price having fallen considerably.

5833. Do you expect that the importation of cotton yarn will increase?—Judging from what has taken place since I left China, with the detail of which I am not very well acquainted, however, I think it very likely it will.

5834. Are you of opinion that the possession of a power of making returns direct from China in teas would greatly facilitate the transactions of the Indian trade generally?—There is no doubt it would. The facility of making any returns would be a great advantage to the trade.

5835. If the export of manufactures to China has been profitable to those who have been engaged in it, to what circumstances do you attribute the diminution in the exports of manufactures to China by the Americans, and the circumstance of their carrying on the greatest part of their trade in dollars?—I believe that their trade in woollens has been profitable of late years, since the late fall of price here. I was not aware that their trade in woollens was decreasing.

5836. Do you apprehend they will continue to carry on the trade in dollars?—I think, if the present exchange continues, or should fall even lower, as is probable, that they will go out to China provided with credits or bills on England, and raise their funds on the spot.

5837. Are you of opinion that the trade of the Americans and the country trade of India, derive great advantages from the existence of the East-India Company as a trading company at Canton?—I think the American trade in teas did derive a great advantage from the Company so long as the Company continued to make their advances in the previous season for the teas to be delivered to them the ensuing season; but that system is now discontinued by the Company.

5838. In what way did that give an advantage to the Americans?—The tea merchants, that is the persons who contract with the Hong merchants to deliver the teas to them and collect them in the country, are generally without capital, and depend therefore upon the Hong merchant's advances to make their purchases for the ensuing season. Those advances were formerly made by the Company many years; but have been discontinued, in consequence of there having been large creditors, on one or two occasions, of a Hong merchant, who suddenly failed, and previously to his delivery of the teas on his contract with them.

5839. Has no other advantage than that you have mentioned been derived to the trading of the Americans and others from the existence of the Company?—I think there is one great advantage, in that the Company's servants, acting as one body, and carrying on an immense trade, are enabled to resist the exactions and extortions thrown in the way of trade by the Chinese government, or the officers under it.

5840. In the event of the Chinese government, or their officers, endeavouring to throw greater difficulties than had hitherto existed in the way of the regular trade, do you imagine the whole trade might be carried on as the opium trade now is, by smuggling?—I can hardly imagine such a state of things.

5841. Do you think it is in the power of the Chinese government to prevent the smuggling of opium?—I think it is out of their power to prevent the smuggling of opium; it is so much an article of necessity by those who have contracted a habit of using it.

5842. Is it not as necessary to the interest of the Chinese that they should sell their teas, as that they should purchase opium?—I think it more necessary to their interests.

5843. Would there not, therefore, under those circumstances, be a strong combination among the people of China in favour of the continuance of the trade, whatever the disposition of the officers of government?—I cannot conceive that the govern-

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ment could put an end to the trade altogether; it would find a vent in some way.

5844. Can any English vessels carry on the trade between South America and Canton?—I believe none at the present time.

5845. Can they do it by law?—I believe they can come from South America to China; I do not think the Company's charter prohibits that.

5846. Do American ships frequently arrive at Canton from South America?—Occasionally.

5847. What are their importations?—Bullion, and occasionally copper.

5848. Has the import of metals into China been profitable?—Very profitable of late in silver uncoined.

5849. Do you allude to gold or silver?—Silver; which comes in large masses from South America, and is sold at a considerable premium in China at present.

5850. Has the importation of other metals, such as tin, and iron and lead, been equally profitable?—Those metals were principally, if not altogether, imported by the Company. I am not aware of the state of their profits.

5851. Your house were principally concerned in dealing in opium?—Almost entirely as matter of business; and in goods, as far as remittances were required from China only.

5852. You consider that the most profitable mode of conducting that trade?—By far.

5853. Were the exactions on the part of the Mandarin at the port of Amoy intended to discourage the trade on his part, or merely from a desire to get more?—The trade there was entirely disallowed by the government; and I conceive that had the ship's cargo on the occasion alluded to been sold and landed, it would been illegal on the part of the Mandarin who allowed it. The consequence was, he requested a large present for himself; but he was so exorbitant that the adventure would not afford it, and the ship left in consequence. She sailed at last with the boats following her, and intreating her to return.

5854. If the amount of the exaction had the effect of preventing the trade altogether, would it not become his interest to moderate his demands, for the purpose of at least securing some share to himself?—One should think so; and the negociation went on for some time, and the captain waited till there appeared to be no prospect of success. The Chinchoo-man in Canton, who ultimately paid part of the loss, was quite satisfied with the return of the ship.

5855. Was that the first time that any foreign ship had ever made any attempt?—I believe it was the only time that any

English ship had made the attempt with cotton. The Spaniards formerly traded there. 18 June 1830.

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5856. Have you any reason to suppose that, if the Mandarin's exactions had not driven them away, the people were disposed to purchase?—It is at a great distance of time, but I believe they were so. They are always disposed to trade.

5857. What was expected to be the return?—Sycee silver, which means silver in ingots or bars.

5858. Was any difficulty anticipated in obtaining the silver?—None at that time, silver being then more plentiful in China than it is now; and although containing only about two per cent. alloy, I have known it at five per cent. discount.

5859. Is the export of silver allowed?—At that time it was allowed to a certain extent; now it is disallowed entirely.

5860. Notwithstanding that sycee silver is regularly exported?—Yes; much on the same principle that opium is imported.

5861. Are the regulations of the government, calculated to prevent trade with foreigners, habitually set at nought?—Decidedly so; which makes me suppose that, in the case of a total stoppage of the trade, it would find a vent still.

5862. If permission were given by the laws of this country to carry on the trade on the coast of China, do you conceive it could be profitably carried on?—I conceive it would be impossible to carry it on legally.

5863. From what circumstances?—The demands of the Mandarins would be so great and so uncertain, that they could not go there with any advantage. The government prohibit trading in any ports except Canton. They have been more strict of late than formerly.

5864. If the mandarins thought they could get something by it, would they not be disposed to relax their demands rather than lose their trade?—It might answer in regard to one ship, but in case of its going to any extent it would, I conceive, be known at Pekin, and the mandarin would be punished. The opium has been a trial of that, and though it has been sold on the coast, yet it is not to any great extent.

5865. Is there any law in China which would prohibit a Chinese junk, carrying on that sort of coasting trade on British account, starting from Canton?—There is no law that I am aware of there to prevent a Chinese junk carrying it on, but one would not like to trust the Chinese to do that on British account.

5866. Is there any port of China between Pekin and Canton now, at which there is a considerable domestic trade carried on by the Chinese?—I believe there are several; there are one or two places in Fokien and Kiangnan; those are the two principal

18 June 1830. tea countries; and foreign trade is carried on to those provinces to a considerable extent.

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5867. To what countries do the Chinese carry on trade from those ports?—To Cochin China, to Siam, to the Straits, to Sincapore, to the Sooloo Islands, &c.

5868. Are the Chinese inhabiting the Eastern Islands purchasers of British manufactures, for the purpose of importing into China?—I am not sufficiently acquainted with their habits to say.

5869. From what ports do ships sail from China to Japan?—From several, I believe, but I am not very well informed with regard to the trade now.

5870. In your opinion, would the quality of teas be deteriorated if the trade were opened, and a greater quantity exported?—I think that would be the effect; I think so, from the Company, who contract upon a scale of prices applicable to the quality of the black teas deliverable in Canton, not succeeding in getting as much as they could wish of the better qualities, even at the higher prices, which they endeavour to do by every means in their power; but I believe it is more profitable to the Chinese to produce middling teas at a middling price than teas of the finer qualities at an increased rate.

5871. Do you think there would be any demand in this country for that tea of inferior quality?—I think there is at present a very great demand, but I think the finest qualities of black teas would almost disappear.

5872. As far as regards that part of the transaction, you conceive that would be increased?—I have no doubt it would be increased. Opening the trade must cause an increase; the price here would be so much lower.

5873. Do you look to the exports of teas from China, if there were an open trade, being made with a view to profit, or only as a return for the outward cargo?—I think, after the trade became settled, that the export of teas would become the principal means of remittance.

5874. That they would be reduced in this country as low as they can be?—Yes; that I think must be the effect.

5875. Do you apprehend that, under those circumstances, the export of British manufactures would be greatly increased?—I have no doubt the exports of British articles would be very considerably increased by an open trade in tea.

5876. Will you state the particular articles of manufacture which you think would find the best market?—I should think that, under such circumstance, woollens, camlets, and cotton piece goods, would gradually and eventually find their way into China in considerable quantities.

5877. Do you think cotton yarn would also be exported?—Yes; it is so, even under present circumstances.

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5878. Do you think that effect would be produced by a reduction of price, in consequence of competition?—That would be one effect; another would be, that if persons engaged in that trade were permitted to export teas, they might send them as a means of remittance, the bar to trade at present being a want of returns; and the profit would probably be looked for on the exports to China.

5879. Is there any disposition on the part of the Chinese to use articles of hardware, knives and forks, and so on, from Europe?—They use no knives and forks; but their own hardware is much cheaper. I believe there is more regard to cheapness in the Chinese than to quality. Their own are inferior to ours; but the price of ours is an obstacle, I conceive.

5880. Can you state the price of any particular article in hardware at Canton; table knives, for instance?—They do not use table knives. I have heard that a razor for shaving the head can be bought for a few candareens. Three cash and three-quarters make a farthing, and ten cash one candareen.

5881. How many candareens buy a razor?—A few; but I cannot say how many. Every time they use them they are obliged to hone them. Under an open trade, I think that hardware might be introduced, perhaps being now made so wonderfully cheap in England; I think that the superior activity and enterprize of individuals over that of a Company pursuing a beaten track, must open new channels, which it is impossible almost to foresee.

5882. Have they any disposition to use ornamental articles; Birmingham manufactures in brass, imitations of gold, and so on?—No, I do not think they have.

5883. Has there been an increased demand for woollens in China of late years?—Since the price has fallen there has been an increased importation. The demand might go to almost any thing if the price did not prevent.

5884. They would be more generally worn?—Yes; they like them very much; their mode of wearing a warm garment is to put two cottons together, and to stuff cotton wool between, but they would prefer the woollen; the cotton is liable to be wetted directly, the woollens are not so likely.

5885. For what species of article is the yarn that is exported into China chiefly used?—It is used, I apprehend, for manufacturing cloths; but I am very little acquainted with that, being since my departure.

5886. Do not you think that if they were unable to import yarn, the European manufactured articles would fetch a better price than they do now?—The importation of yarn at present has gone to so small an extent, it cannot be supposed to have affected their manufactures much.

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5887. Do you know whether the Americans have often suffered from exactions on the part of the Chinese government?—I am not aware that they have. The exactions do not fall directly upon individuals; they come on the trade generally. The Chinese do not acknowledge us at all; they say, we have nothing to do with you; we allow our people to trade with you, but we know nothing whatever about you; they look to the merchant who becomes security.

5888. In fact, do you think that the Company, by being a Company, have advantages over individual merchants?—I think that, by carrying on their immense trade, they have an influence that in case of the Government imposing impositions on the merchants and others, they are enabled to check them in their progress, or to cause them to be done away with; that I have known to occur. Individuals cannot be brought to act as a body, their interests are various and opposite, and each acts for himself.

5889. Would not a British consul supply the place now occupied by the Company in regard to authority in controlling the conduct of individuals?—I think that a person unconnected with the trade cannot have the same power as persons connected with the trade, and having an authority also.

5890. There are American and Dutch consuls residing at Canton, are there not?—Yes, there are.

5891. Do you know what degree of authority they have over the trade of their respective countries?—They have little or no authority; the American consul had no authority, he was a mere commercial officer in fact, I believe, until Mr. Wilcox was appointed. The consul has no power whatever over them, but is merely a sort of authority to register their mercantile proceedings; in fact that was proved on an occasion some years back, when a sailor belonging to one of their ships was strangled by the government; it was then proved that the consul had no authority over his countrymen.

5892. Has he no police authority in respect to the ships of his own country?—I believe none whatever.

5893. Has the Dutch consul any?—I am not aware what the power of the Dutch consul may be; when I left China it was a new appointment.

The witness is directed to withdraw.

JOHN CRAWFURD, Esq. is called in, and further examined as follows:

5894. Are you acquainted with the coasting trade of the Chinese, and can you state the course of that trade, and the amount of tonnage employed in it?—I have paid a great deal of attention to the Chinese trade. I will beg to deliver in a paper containing an account of the native foreign trade of China.

[*The same is delivered in and read, and is as follows:*]

NATIVE FOREIGN TRADE OF CHINA.

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The principal part of the junk trade is carried on by the four contiguous provinces of Canton, Fokien, Chekian, and Kiannan. No foreign trade is permitted with the island of Formosa; and I have no means of describing the extent of the traffic which may be conducted between China, Corea, and the Serchew Islands. The following are the countries with which China carries on a trade in junks, *viz.* Japan, the Philippines, the Sooloo Islands, Celebes, the Moluccas, Borneo, Java, Sumatra, Sincapore, Rhio, the east coast of the Malayan Peninsula, Siam, Cochin China, Cambodia, and Tonquin. The ports of China at which this trade are conducted are, Canton, Tchaotcheou, Nomhong, Hoeit-cheou, Su-heng, Kongmoon, Changhin, and Hainan, in the province of Canton; Amoy and Chinchen, in the province of Fokien; Ning-po and Siang-hai, in the province of Tchekian; and Soutcheon, in the province of Kiannan. The following may be looked upon as an approximation to the number of junks carrying on trade with the different places already enumerated; *viz*

	Junks.
Japan, 10 junks, two voyages	20
Philippine Islands	13
Sooloo Islands	4
Celebes	2
Borneo	13
Java	7
Sumatra	10
Sincapore	8
Rhio	1
East coast of Malay Peninsula	6
Siam	89
Cochin China	20
Cambodia	9
Tonquin	20
Total	222

This statement does not include a great number of small junks belonging to the Island of Hainan, which carry on trade with Tonquin, Cochin China, Cambodia, Siam, and Sincapore. Those for Siam amount yearly to about fifty, and for the Cochin Chinese dominions to about forty-three; these alone would bring the total number of vessels carrying on a direct trade between China and foreign countries to 307. The trade with Japan is confined to the port of Ningpo in Chekiang, and expressly limited to ten vessels; but as the distance from Nangasaki is a voyage of no more than four days, it is performed twice a year. With the exception of this branch of trade, the foreign intercourse of the two provinces of Chekian and Kiannan, which are famous for the production of raw silk, teas, and nankeens is confined to the Phillippine Islands*, Tonquin, Cochin China, Cambodia, and Siam; and none of this class of vessels, that I am aware of, have ever found their way to the western parts of the Indian

* The provinces once conducted a trade among the Sooloo Islands and Borneo Proper, but owing to the anarchy which has of late years prevailed in these countries, it seems to be at present abandoned.

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Archipelago. The number of these trading with Siam is twenty-four, all of considerable size; those trading with the Cochin Chinese dominions, sixteen, also of considerable size; and those trading with the Phillippines five, making in all forty-five; of which the average burden does not fall short of 17,000 tons. I am the more particular in describing this branch of the Chinese commerce, as we do not ourselves at present partake of it, and as we possess no direct means of obtaining information in regard to it. All the junks carrying on this trade with Siam are owned in the latter country, and not in China; and I am not sure how far it may not also be so in the other cases. I do not doubt but that a similar commerce will, in the event of a free trade, extend to Sincapore, and that through this channel may eventually be obtained the green teas of Kiannan, and the raw silks of Chekian.

Besides the junks now described, there is another numerous class, which may be denominated the colonial shipping of the Chinese.—Wherever the Chinese are settled in any numbers, junks of this description are to be found, such as in Java, Sumatra, the Straits of Malacca, &c.; but the largest commerce of this description is conducted from the Cochin Chinese dominions, but especially from Siam, where the number was estimated to me at 200. Several junks of this description from the latter country come annually to Sincapore, of which the burthen is not less than from 300 to 400 tons.

The junks which trade between China and the adjacent countries are some of them owned and built in China, but a considerable number also in the latter countries, particularly in Siam and Cochin China. Of those carrying on the Siamese trade, indeed, no less than eighty-one, out of the eighty-nine, of considerable size, were represented to me as being built and owned in Siam. The small junks, however, carrying on the trade of Hainan, are all built and owned in China.

The junks, whether colonial or trading direct with China, vary in burden from 2,000 peculs to 15,000, or carry of dead weight from about 120 to 900 tons. Of those of the last size I have only seen three or four, and these were at Siam, and the same which were commonly employed in carrying a mission and tribute yearly from Siam to Canton. Of the whole of the large class of junks, I should think the average burthen would not be overrated at 300 tons each, which would make the total tonnage employed in the native foreign trade of China between 60,000 and 70,000 tons; exclusive of the small junks of Hainan, which, estimated at 150 tons each, would make in all about 80,000 tons.

The junks built in China are usually constructed of fir and other inferior woods. When they arrive in Cambodia, Siam, and the Malayan Islands, they commonly furnish themselves with masts, rudders, and wooden anchors, of the superior timber of these countries. The junks built in Siam are a superior class of vessels, the planks and upper works being invariably of teak. The cost of ship-building is highest at the port of Amoy in Fokien, and lowest in Siam. At these places, and at Chang-hin, in Canton, the cost of a junk of 8,000 peculs, or 476 tons burthen, was stated to me by several commanders of junks, to be as follow:

	Dollars.
At Siam	7,400
Chang-hin	16,000
Amoy	21,000

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A junk of the size just named has commonly a crew of 90 hands, consisting of the following officers besides the crew; a commander, a pilot, an accountant, a captain of the helm, a captain of the anchor, and a captain of the hold. The commander receives no pay, but has the advantage of the cabin accommodation for passengers, reckoned, on the voyage between Canton and Sincapore, worth 150 Spanish dollars. He is also the agent of the owners, and receives a commission commonly of ten per cent. on the profits of such share of the adventure, generally a considerable one, in which they are concerned. The pilot receives for the voyage 200 dollars of wages, and 50 peculs of freight out and home. The helmsman has 15 peculs of freight, and no wages. The captains of the anchor and the hold have nine peculs of freight each; and the seamen seven peculs each. None of these have any wages. The officers and seamen of the colonial junks are differently rewarded. In a Siamese junk, for example, trading between the Siamese capital and Sincapore, of 6,000 peculs burthen, the commander and pilot had each 100 dollars for the voyage, with 12 peculs of freight a-piece. The accountant and helmsman had half of this allowance; and each seaman had 13 dollars, with five peculs of freight.

The construction and outfit of a Chinese junk are too well known to require description. They are clumsy and awkward in the extreme. The Chinese are quite unacquainted with navigation, saving the knowledge of the compass; notwithstanding this, as their pilots are expert, as their voyages are short, and as they hardly ever sail except at the height of the monsoons, when a fair and steady seven or eight knot breeze carries them directly from port to port, the sea risk is very small. During thirteen years' acquaintance with this branch of the trade, I can recollect hearing of but four shipwrecks; and in all these instances the crews were saved.

The construction and rigging of a Chinese junk may be looked upon as her proper registry, and they are a very effectual one; for the least deviation from them would subject her at once to foreign charges and foreign duties, and to all kinds of suspicion. The colonial junks, which are of a more commodious form and outfit, would, if visiting China, be subjected to the same duties as foreign vessels. Junks built in Siam, or any adjacent country, if constructed and fitted out after the customary model, are admitted to trade to China upon the same terms as those built and owned in the country. If any part of the crew consist of Siamese, Cochin Chinese, or other foreigners, the latter are admitted only at the port of Canton; and if found in any other port of China, would be seized and taken up by the police, exactly in the same manner as if they were Europeans. The native trade of China conducted with foreign countries, is not a clandestine commerce, unacknowledged by the Chinese laws, but has in every case at least the express sanction of the viceroy or governor of the province, who, on petition, decides the number of junks that shall be allowed to engage in it, and even enumerates the articles which it shall be legal to export and import; at every port also where such a foreign trade is sanctioned, there is a Hong, or body of security merchants, as at Canton; a fact which shews clearly enough that this institution is parcel of the laws or customs of China, and not a peculiar restraint imposed upon the intercourse with Europeans.

The Chinese junks properly constructed pay no measurement duty,

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and no kumsha, or present; duties, however, are paid upon goods exported and imported, which seem, however, to differ at the different provinces. They are highest at Amoy, and lowest in the island of Hainan. The Chinese traders of Siam informed me that they carried on the fairest and easiest trade, subject to the fewest restrictions, in the ports of Ningpo and Sianghai, in Chekian, and Souchon in Kiannan. Great dexterity seems every where to be exercised by the Chinese in evading the duties. One practice, which is very often followed, will afford a good example of this. The coasting trade of China is nearly free from all duties and other imposts. The merchant takes advantage of this, and intending in reality to proceed to Siam or Cochin China, for example, clears a junk out for the island of Hainan, and thus avoids the payment of duties. When she returns she will lie four or five days off and on at the mouth of the port, until a regular bargain be made with the custom-house officers for the reduction of duties. The threat held out in such cases is to proceed to another port, and thus deprive the public officers of their customary perquisites. I was assured of the frequency of this practice by Chinese merchants of Cochin China, as well as by several commanders of junks at Sincapore. From the last-named persons I had another fact of some consequence, as connected with the Chinese trade; *viz.* that a good many of the junks carrying on trade with foreign ports to the westward of China often proceeded on voyages to the northward in the same season. In this manner they stated that about 20 considerable junks, besides a great many small ones, proceeded annually from Canton to Souchon, one of the capitals of Kiannan, and in wealth and commerce the rival of Canton, where they sold about 200 chests of opium at an advance of fifty per cent. beyond the Canton prices. Another place where the Canton junks, to the number of five or six, repair annually, is Chinchen, in the province of Shanton, within the Gulph of Pechely, or Yellow Sea, and as far north as the thirty-seventh degree of latitude.

5895. What appears to be the total amount of tonnage engaged in the foreign trade of China, by the account you have read?—Two hundred and twenty-two junks is the number given there.

5896. What is the amount of tonnage?—I am not able to make an accurate estimate of that. The junks are so very various in their sizes, that it is extremely difficult to make an estimate; they are from a hundred and fifty to a thousand tons. I should take them at sixty or seventy thousand tons, but that is a mere estimate.

5897. In that estimate, do you include the vessels employed in carrying on the coasting trade of China?—No; I have no knowledge of that branch of trade, except in so far as those vessels carrying on the foreign trade of China may be occasionally employed in the coasting trade, and some of them I know are.

5898. Have you ever known the Chinese purchase British

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manufactures in any of the Eastern islands, for sale in China?—To a very small extent, occasionally.

5899. What articles of manufacture have they purchased?—Generally speaking they do not purchase articles of manufacture. The rough produce of the Eastern islands, commonly speaking, is what they purchase. When they do purchase manufactured articles, they are commonly British.

5900. What particular articles have they purchased?—Broadcloths, white cottons, and iron. Those may be looked upon as the chief articles; but I beg again to repeat, that the junk traders do not purchase British manufactures to any extent. The Chinese junks that trade with Cochin China and Siam do purchase British manufactures at Sincapore to a great extent, but not those trading directly from Sincapore and the other Eastern islands to China.

5901. If the import of British manufactures into China be very profitable, the restriction only being the difficulty of obtaining returns, can you assign any reason why the Chinese should not import the British manufactures which they can obtain from the Eastern islands?—I imagine the principal difficulty is our not taking from the Chinese that which they have to give, the staple export of China—tea.

5902. The Chinese carries whatever he has to give, tea and every other article, to the Eastern islands, and carries back his return cargo; can you assign any reason for his not selecting British manufactures as a part of that return cargo?—I suppose that the other articles he is able to get there are found to be more profitable.

5903. What are those articles; are they the produce of the Eastern islands generally?—Barks, dye-woods, esculent birds'-nests or swallows'-nests, rattans, pepper, tin, betel-nut or areca, and a very considerable supply, lately, of Indian opium—a very large and increasing supply indeed of that article.

5904. If it is more profitable to the Chinese to import those articles into China, would it not be more profitable for the European merchant to import those into China in preference to British manufactures?—They do import such of these articles as Europeans have a local practical knowledge of into China. There are some, however, of which they can form no judgment, and which therefore they cannot safely trade in.

5905. Is there no article imported into China which produces less profit than British manufacture?—I cannot give any satisfactory information to the Committee upon that point.

5906. When you talk of importing into China, from what place do you understand the articles to be imported?—My reference is at the present moment almost entirely to the island of Sincapore; there are many other branches of the trade of the

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Chinese with which I am familiar, but my evidence at the present moment is chiefly with reference to the island of Sincapore, where I resided three or four years as principal of the settlement, under the direction of the Governor-General of India.

5907. Are there not articles in which a consignment directly from England to China might be profitable, the consignment of which through Sincapore may not?—That is sufficiently proved by the extensive importations into China from England by the Americans; for the Americans have the power to carry to China those articles of Straits produce, as they are often called, to China as well as we; but they do not carry them to any considerable extent.

5908. Have not the exports of British manufactures by the Americans decreased of late?—No; I believe they have largely increased.

5909. Has not the greater portion of the American trade been carried on in dollars of late?—A great proportion has always been carried on in dollars, but a considerable proportion of late years in bills drawn on America and this country. It has been carried on also of late in a good measure also through British manufactured goods exported, sometimes from the United States, but more frequently from this country.

5910. Does the country trade of India compete with the Chinese in the foreign trade of China of which you have spoken; is there much trade in country ships between China and Cochin China?—There is no trade whatever in country ships between China and Cochin China. In some of the staple articles of export from the British possessions in India and the Malay Islands to China, the country trade of India competes largely with the native trade of China, as for example, in the article of Indian opium, in the article of Turkey opium, in the article of pepper, of areca nut, and of tin. It does not compete with the Chinese trade in some other articles, as for instance, in barks and dye-woods, in esculent birds'-nests, and other peculiar articles of that nature. The British traders no not, as I have said before, venture to trade in these articles.

5911. Are they too unimportant?—Birds'-nests form a large article.

5912. Can you state why no British manufactures are sent to China by means of the country trade?—There are considerable quantities sent.

5913. Will you state the articles?—They are enumerated in page 44 of the Papers relating to the Trade of India and China, printed by the House of Commons the 4th of June 1829.

5914. Will you state, from that account, the articles of European manufacture?—Iron, lead, steel.

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5915. Tin is of Eastern produce?—Yes.

5916. State the value of the iron imported into Canton the last year?—10,470 dollars.

5917. State the value of the lead imported?—The lead is 12,504 dollars.

5918. There appears to be no steel, is there?—None in that year.

5919. Is there any cutlery?—There is none in the last two years.

5920. Will you state the value of the broad cloth imported by the country trade?—34,467 Spanish dollars.

5921. Of long ells?—25,575 dollars.

5922. Do you apprehend that the cotton goods sent out are the goods of English or of Indian manufacture?—The Indian are distinguished in the account; those below them are clearly British.

5923. Will you state their amount?—66,487 dollars.

5924. There appear to have been no handkerchiefs since the year 1821-22?—No.

5925. Are there any other articles of British manufacture?—There are articles, not of British manufacture, but articles apparently exported from this country to India, and re-exported again.

5926. What are those?—I should conceive quicksilver to be one of those, and skins; perhaps Prussian blue and smalts, &c.; but those are all unimportant articles. In fact, it is a trade which cannot, from the circuitous course in which it must be pursued, be carried to any great extent; and I have seen quotations from the Canton price-current, stating that exports of British manufactures have been made from Canton to the continent of India, such as metals, from the want of any other mode of remittance.

5927. Has not the price of British manufactures in India been occasionally lower than the original price in England?—I should think that if such a thing ever happened, it must have been a very rare event indeed. To be able, according to the inquiries I have made in this country, to ascertain the real prime cost of an article, is a matter of extreme difficulty. An article in India may have sold for less than it cost the importer; but the idea of its being sold for a less amount than it cost in this country, is a thing highly improbable. If it took place once, it could hardly take place a second time; or at least it could only take place for a very short period of time, for no man would persevere in a trade that would not pay prime cost.

5928. What additional charge do you apprehend would be placed on goods sent out from England to China in consequence

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5929. If it is not considerable, has not the British merchant now the means of sending out British manufactures to China? —If he had the means of making a return, he would; if the British merchant could purchase a supply of the staple article of China as a remittance, he would have ample means of supplying China with British manufactures.

5930. Has not the country trade been principally in the hands of British merchants?—The greater part of it, I should suppose, has; but there are many others, besides British merchants, in India, concerned in that trade. The Parsees of Bombay are personally engaged in it; and the capital of Hindoo merchants at Calcutta is very largely engaged in it.

5931. As regards British merchants, how do you account for the great increase of it in their hands, if the difficulty be so great in obtaining returns from China?—There is a free exchange in the production of those two countries; they are placed under very different circumstances from those affecting the trade between China and Great Britain.

5932. Is it necessary, for the successful conduct of trade, that it should be direct between two ports, between England and Canton for instance?—I conceive it absolutely necessary, if we expect the Chinese to take our goods, that we should be ready to take theirs in return.

5933. Is not that trade often the most profitable which is the most circuitous?—I should think there is no distinction of that sort; that all trades may be equally profitable, whether circuitous or otherwise.

5934. If a British merchant exported, as he now may, from Sincapore, British manufactures to China, and sent a return cargo from China to India, which cargo might then come to England; might not that trade be as profitable as a direct trade between India and China?—The trade likely to be most profitably carried on between two nations must be that subject to the least restriction; that which can be carried on with the fewest limitations. If a trade be forced into a circuitous channel, it must be less advantageous than that which can be carried on directly.

5935. Have the goodness to state whether that trade, though circuitous, may not be still a profitable trade?—It may be a profitable trade; but it may be less profitable than a direct trade would be.

5936. Then can you assign any reason why it is not carried on at all; why British manufactures are not sent to China through Sincapore, and returns made through India?—I have already

explained that. If this country does not take from the Chinese the articles which the Chinese have to give, we have no right to expect that the Chinese should receive our goods.

5937. What do the Chinese give in return for all the opium and all the cotton sent to China?—They give in return various articles; but I believe chiefly the tea that is furnished to this country.

5938. What are the returns made direct from China to India?—There are a good number of articles sent from China to India. Just now the principal article of export from China to India is bullion.

5939. You have stated what are the returns you have made from China as the proceeds of the cargoes sent from India to Canton; might not returns be equally made in the same articles for the proceeds of British manufactures sent to China through Sincapore?—India can take only a limited portion of the exports of China; the principal import, I have shewn, is bullion.

5940. Is there any difficulty in increasing the export of bullion?—That depends upon the state of the trade in the two countries.

5941. Is not bullion always procurable in China in exchange for any articles which may be exported to that country?—It is always procurable, but it depends on circumstances whether it will make a profitable return to the exporter. I have mentioned a case where it was not, and where the exporter was compelled to have British manufactures in return as an export to India. India requires only a limited supply of bullion, like every other country.

5942. Can you state why the Americans should have conducted four-fifths of their trade generally in dollars, why they should not have exported merchandize to a larger amount?—I think that the Americans have not the means of exporting manufactures to a large amount. They have no manufactures of their own which they could furnish to the Chinese. The quantity of British manufactures exported by them is yearly increasing.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 22° *Junii* 1830.

The LORD PRESIDENT in the Chair.

22 June 1830.

Mr. W. Brown.

Mr. WILLIAM BROWN is called in, and examined as follows :

5943. YOU are a merchant or agent trading to China?—I am a merchant and agent trading to China and America.

5944. Did you ever export to China any goods on your own account?—No ; I have merely acted as agent.

5945. Have you exported goods on your own account to other parts of the world?—No, I cannot say that we have; we are merely agents. If we have done so, it is to a very limited extent indeed.

5946. Can you state the extent of your shipments in successive years to China?—Not from recollection. I have here a statement which I beg to deliver in.

The witness delivers in the same, and it is read, and is as follows:

A STATEMENT of MERCHANDIZE shipped by W. and J. BROWN and Co., of Liverpool, to Canton, from November 1821 to July 1829.

					£	s.	d.
November 1821	Per ship	Columbian ..	883	Packages, value	66,751	19	4
February.. 1822	—	Isabella......	874	—	64,256	18	3
March 1823	—	Tobacco Plant	510	—	50,834	12	8
August ... 1823	—	Columbian ..	1,079	—	76,016	14	2
July...... 1824	—	Isabella......	677	—	53,277	2	5
February.. 1825	—	New Jersey ..	831	—	52,422	10	7
July...... 1825	—	Phœnix......	688	—	54,217	2	1
November 1825	—	Juniata......	684	—	47,505	19	3
September 1826	—	Isabella......	552	—	48,471	7	11
May...... 1827	—	WoodropSimms	664	—	59,808	2	9
October... 1827	—	Globe	943	—	65,966	19	4
May...... 1828	—	Isabella......	816	—	60,999	16	9
April 1829	—	Tobacco Plant	666	—	55,909	4	3
July 1829	—	Isabella......	626	—	48,818	15	6
				Total amount....£	805,257	5	3

N. B.—The above includes some specie, the amount of which cannot be given with accuracy, but it does not, probably, in the whole exceed £10,000. With this exception, the cargoes consisted of British manufactured goods, and the amount stated is the cost and charges after deducting debentures. In the evidence given before the Committee of the House of Commons, the Isabella's cargo in May 1828 was, by mistake, omitted.

Liverpool, 18th June 1830. (Signed) WM. BROWN.

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Mr. W. Brown.

5947. Do the amounts there stated vary from the declared values of the shipments in the custom house books?—I rather think they do.

5948. To what extent?—I am not able to state exactly; probably one third less.

5949. Where no duty is paid on the export of goods, do those engaged in the export of them, in declaring the value of them, adhere as nearly as they can to the real value?—We are very careless about it. When we have no documents to fix it, we assume a value, where there is no export duty.

5950. Do you usually assume a value higher or lower than the real value?—We frequently cannot tell what the value is; we say so much per package; sometimes higher, sometimes lower; but I believe with respect to those goods the value assumed in all cases was lower than the real value.

5951. Do you know whether that was done for any purpose?—The gentleman, who was a partner in the house, owning this property, was willing to keep the business as much to himself as he could, and I do not believe he returns to us the real value or the real prices; but from the prices he transmitted to us our entries were made at the Custom House.

5952. Then was your duty confined to entering the goods?—Entering them and paying for them.

5953. What sum did you receive?—Two shillings and sixpence a package for shipping, and one per cent. for commission.

5954. How did you estimate your commission, if you were not acquainted with the value?—By bills drawn upon us for the purchase.

5955. Then, though you do not know the value of each article, you know the value of the total shipment for each year?—Yes; the shipment would take place at three or four different entries.

5956. For what ports do the vessels clear out in which you shipped those goods?—Generally for Batavia. I am not sure whether one did not clear out for Canton.

5957. Was that for the purpose of concealing the nature of the traffic?—It was.

5958. Have you any means of ascertaining whether those adventures were profitable?—The first few years they were profitable, and the last four years they were unprofitable; they are beginning again to be profitable.

5959. On what authority do you state that?—There are three branches of my establishment in the United States; through one of them, in Philadelphia, the arrangements for those cargoes were made, and credits lodged by John A. Brown and Company with William and James Brown and Company at Liverpool, for the purchase of those cargoes. We are desired

22 June 1830. to hold such a sum at the disposal of the gentleman who comes to make the purchases.

Mr. W. Brown.

5960. Have you any means of ascertaining the out-turn of that adventure?—Only from report. I do not see the returns; but I know it from my partner, who is acquainted with it. I state this from the substance of my partner's correspondence.

5961. Do you know what circumstance at any period diminished the profit on those exports?—About four years ago, when the trade became less profitable than it had been previously (I think that arose from more causes than one), about that period, the East-India Company were beginning to send teas direct from Canton to British America; and I apprehend that prevented those imported by the Americans being sent in there; and about the same period the European powers threw more difficulty in the way of the direct import of teas from America to Europe, and that also abridged the markets of Europe for the consumption of tea; and the trade also, I apprehend, was injured by the Americans being too enterprising; still hoping the business would improve, they continued to trade, probably on a fictitious capital in part, arising from bonding for the duties at long periods.

5962. The total import of tea into the British provinces in North America by the East-India Company not amounting to more in value than £100,000 a year, that circumstance alone would not probably have produced much effect on the American trade?—No; I do not think that that circumstance would alone, but in conjunction with the others it had this effect.

5963. As far as new duties imposed on the import of teas to the Continent of Europe might affect the American trade, they would likewise, if the trade were open, affect the trade of British merchants to the Continent in tea?—Of course they would.

5964. Is that over-trading at an end, in your opinion?—I I think it is in some measure; a number of those who were engaged in it at that time have been unfortunate in their affairs, and there is probably less competition.

5965. Have you any knowledge of the expense of navigating American and British ships?—Not of British ships; but I know something of American ships.

5966. Have you any means of comparing the two?—No, I have not.

5967. From your knowledge as a merchant and agent, are you enabled to form an opinion whether, in the event of the China trade being opened to British subjects, they would be enabled to carry on that trade with more advantage than the Americans carry it on now?—I apprehend mercantile capital is much more plentiful in this country than in America; the interest of money is less, and I think the expense of navigation

is as little; I think they would be able to carry it on with equal advantage, probably.

5968. Are there not many American merchants engaged in that trade possessed of very large capital?—I do not think think there are many possessed of very large capital.

5969. Do you think those who have large capital, Mr. Cushion and others, have traded to more advantage than the persons possessed of small capital?—No doubt they have.

5970. To what circumstances do you attribute the greater profits they may have obtained in the trade?—I think they have been engaged in a different trade from most of the other American merchants; and they have not been obliged, I believe, to borrow money on respondentia, which is the usual method of raising money by those who have not sufficient capital themselves to carry on the China trade.

5971. Will you explain what respondentia is?—It is a loan made by a monied house to a house wishing to borrow, for which they receive a certain interest, say eleven or twelve per cent., for the voyage, the parties lending the money having the goods hypothecated to them, and paying the insurance; the sum they receive is without reference to whether the voyage is long or short.

5972. In what way does the possession of a larger capital afford peculiar advantages in the carrying on of the China trade?—It enables the party possessing that capital to chose his own markets in Europe with more convenience; it enables him probably to purchase large quantities of opium, and to let it remain for a market in China, which those possessed of smaller capitals, I apprehend, have not been much in the habit of; they have been more in the trade from the United States direct to England, and from thence to China, and then back.

5973. Do you apprehend the larger the capital the greater the advantage?—Provided it can be used.

5974. Should you think that the East-India Company, having so very great a capital engaged in that trade, could carry it on with more advantage than private merchants?—I do not think that any company can carry on trade with so much advantage as a private merchant, provided that individual has sufficient capital for his operations.

5975. Still less could you expect that degree of care which is shewn by a private individual in the management of his concerns, from persons managing the great capital of a company, who, whatever may be the out-turn of that adventure, would neither receive more nor less in the shape of interest and revenue?—That is precisely the view I take of it.

5976. Are you aware whether the woollens shipped on American bottoms for China have been in quality superior or inferior

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to those shipped by the Company?—I have reason to believe they are quite as good as those shipped by the Company, and bought with as much care.

5977. Are they of the same sorts?—Pretty much the same.

5978. Can you state whether they are obtained by the private merchants at a lower cost than that at which the Company obtain their goods?—I think they are full as low as those bought by the Company, inasmuch as the private trader's payments are more convenient to the seller, and that they are not subject to the delay of inspection, which goods purchased by the East-India Company are.

5979. Are the woollens shipped all of one quality, or nearly so?—No; they vary very much in quality.

5980. Do you know on which quality the highest profit is obtained, whether the highest or the lowest?—No; I do not.

5981. Have any new articles been exported of late years?—I think not to any great extent. I understand they are trying cotton yarns in China, but I am not aware of any thing to any extent having been sent of late but what the Chinese have been in the habit of receiving.

5982. You have not shipped any new articles?—Not that I am aware of.

5983. For what length of time have you been employed in the shipment of British goods to China?—Since 1821.

5984. Have you been engaged in sending to British India?—Occasionally.

5985. In what year was your first shipment to China?—In 1821.

5986. What was the amount?—Sixty-six thousand seven hundred and fifty-one pounds; in February 1822, I perceive there is another cargo; in 1823, two cargoes; in 1824, one cargo; and 1825, three cargoes.

5987. The shipments gradually increased to 1825?—Yes.

5988. What was the whole amount of shipment in 1825?—About £150,000.

5989. Did the shipments fall off subsequently?—In 1826 there was but one cargo sent, amounting to £47,000; in 1827 there were two cargoes, amounting to about £120,000; in 1828, one cargo, amounting to £60,000; and in 1829, two cargoes, amounting to about £100,000.

5990. Have you any orders for shipment in the present year?—We have.

5991. To what extent, up to the present time?—About £110,000.

5992. So that the shipments are gradually increasing again since 1828?—Yes.

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5993. Can you state with more precision your reasons for believing that the last shipment had been profitable, besides the increased orders you have lately received?—I think it is evident that they are more profitable, from my house having lodged credit for those new operations; and they have also stated to me that they have been more profitable, and that they feel more confidence in going on with the trade.

5994. In what manner do your principals purchase goods for the China market?—One of the partners of the house has always attended and bought the goods in England, and for the payment of which he passes bills upon us.

5995. Do you know under what mark they are disposed of in China?—For some time past, probably from the first, he has been in the habit of putting his name upon them, in order to give them credit and currency with the Chinese.

5996. Is there any imitation of the Company's mark?—Not at all. I think he puts Samuel T. Jones upon them.

5997. Have you information you can depend upon that that mark is considered sufficient, without any imitation of the Company's mark in addition?—From every information I have I believe that mark obtains them as much credit with the Chinese as the Company's mark. His object was to establish the reputation of the house, by packing none but fair goods under that mark.

5998. Do you know in what manner the East-India Company's goods are purchased for the China market?—I have understood they are all subject to inspection, which creates some delay in the payment, which does not arise with the private trade, and which enables the private trade to make themselves as desirable customers to the sellers of the goods as the Company.

5999. Have you any means of comparing the manner in which Mr. Jones purchases his goods with that in which the East-India Company purchase their goods?—The principal information I have upon that subject is from Mr. Jones himself, and one or two of the manufacturers of whom he has bought. He has an opportunity of seeing the manner in which the goods are got up for the Company; and I have understood that his goods are fully as well or better bought.

6000. When you speak of the general result of the shipments having been unprofitable, can you state at what period of the voyage they became unprofitable?—The goods out have generally sold well, and for fair profits; but the return cargoes have been unprofitable.

6001. If the trade had been open, and those speculations had been conducted by British merchants, who might have brought back a return cargo to England, do you conceive that such speculations would have been more profitable?—I think they

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would not have been more profitable than the result of the American speculations. I think they must have sustained a loss by the import of teas. I cannot speak of the competition they would have to meet with; but if a British merchant has to go to China and bring teas to Europe, at present he would probably sustain a loss.

6002. Supposing they were to go to China and bring a return cargo to England, do you think the return voyages would be more or less profitable?—It depends on the number of the return cargoes. If there were but few cargoes brought, it would be profitable; if there was over-trading, that would be, as it has been in other instances of many new trades, unprofitable; Buenos Ayres, for instance—the first of the trade was most ruinous, though it has now become a healthy trade.

6003. Does that observation apply to trade generally?—Yes. It would be profitable so long as over-trading did not take place.

6004. Do you know whether the Dutch supply much of the tea that is now consumed in Europe?—I should think they do, a good deal.

6005. Do not you think that the want of a return cargo, which could be disposed of in the English market, has been one of the great causes of limiting the speculations of the Americans in China?—I am not altogether certain of that. I think that the returns being so unprofitable has imposed one barrier to the extension of the trade; but I am not aware that the Americans were deterred altogether from going there.

6006. Has not the circumstance of the best market in Europe for China produce being shut against them contributed very much to that?—No doubt.

6007. Has not the loss of the trade in tea to Canada had an effect upon their trade?—Undoubtedly, to a certain extent, it has.

The witness is directed to withdraw.

Mr. RICHARD MILNE is called in, and examined as follows:

Mr. R. Milne.

6008. You have carried on trade with China, have you not?—I have.

6009. Did you reside in this country while you were carrying on this trade?—No. I was born in Manchester, but a long time ago I went to the United States of America to vend British goods. I resided in Philadelphia. I commenced trading to India and China about the year 1799, and continued shipping in various vessels till the year 1811. At the period to which I allude the vessels went on freight; there would be ten to twenty shippers in one vessel, and a great number of vessels.

6010. What freight did you pay; did it vary much during

that period?—The period alluded to was that of the war in Europe. Freights were high, I may say forty-five dollars per ton measurement of forty cubic feet; or more correctly, speaking of tea, the Americans allowed ten quarter chests. 22 June 1830. Mr. R. Milne.

6011. Notwithstanding that high freight, was the trade profitable?—It was, at the period to which I allude.

6012. Did it increase gradually from the year 1799 to the year 1811?—There was an increase. The market was occasionally overdone; but at that period there were no manufactures in America, and we imported considerable quantities of goods from Calcutta as well as from China; there was a considerable trade to India and China out of Philadelphia.

6013. Was that part of the trade which proceeded from India profitable?—It was. I was concerned in both, and I think I may say that I never lost money during that period.

6014. Which was the most profitable of the two, the Indian or the China trade?—Sometimes one, sometimes the other; but I think the China trade was at that period the more certain.

6015. To whom did you commit the care of your exports to China at Canton?—The vessels by which I shipped, and I believe all the vessels at that period, were uniformly accompanied by supercargoes; the establishments in China had not then taken place.

6016. Did the supercargo on board of the ship take charge of the goods belonging to all the different merchants who shipped on board of it?—They did; there were pretty generally two supercargoes on board those vessels, nine times in ten, for the protection of the property in the case of death.

6017. You were at no loss for an agent; you were obliged to commit your goods to the supercargo?—Yes.

6018. How much did you pay him?—Three per cent.

6019. How was that sum calculated?—I believe he opened an account current with us; sometimes he deducted his three per cent. from the amount shipped; but at other times, from the amount of the goods purchased; it is nearly the same thing; deducting it from the amount shipped was a little in his favour, but nearly the same thing in amount.

6020. Of what did that shipment consist?—Almost always Spanish dollars; occasionally a little ginseng, a root gathered in America, which the Chinese like to take as medicine; but I may say almost always Spanish dollars.

6021. Did the shipments of other adventurers in the same vessel consist likewise of Spanish dollars?—Nine times in ten. The vessels from Philadelphia, which was at that time the most extensive port for the trade with China from the United States, the freight ships were probably, for their tonnage, the richest ships which visited China, having a large number of shippers.

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6022. What was the amount of their tonnage?—From 350 to 450, and perhaps, accidentally, as large as 500 tons, carrying 300,000 dollars.

6023. Nothing but dollars?—Very little besides.

6024. Who carried on the trade in merchandize?—The trade with China in merchandize from the United States of America is a much later trade. Some persons resident in Boston pretty extensively; some resident in Philadelphia, whom I knew, pretty extensively; but the greatest part of the trade from the United States of America has been in Spanish dollars.

6025. When did the trade in the export of merchandize from America spring up?—There has been some export of American manufactures, I think not very large, from England, perhaps in the year 1820, or sooner; I cannot be positive. It commenced small, and has kept increasing.

6026. Have the Americans exported to Canton any quantity of the manufactures of continental Europe?—I should not think much. At New York they can make up a cargo of manufactures of Europe generally perhaps as soon as in any part of the world, the variety is so great.

6027. Has that been done?—I do not think it has. So far as comes within my knowledge, the exports of manufactured goods from the United States to China have been the greater part British, I think.

6028. Have the Americans exported latterly any great quantity of opium to China?—I cannot speak to that. I was never engaged in that trade.

2 9. What did you import from China besides tea?—Silks, nankeens, and a little cassia; occasionally, perhaps, some other trifling things, not worth enumerating.

6030. Were the silks as profitable as the teas?—Sometimes the teas left a good profit; occasionally the silks would do better. The silks were safe if we held them.

6031. Were the nankeens profitable?—Occasionally; not very, lately; of dull sale.

6032. Your trade in nankeens has almost entirely fallen off, has it not?—Yes. The great variety of pantaloon stuffs made in England and other countries has destroyed it.

6033. Does the trade in silks continue as profitable as it was?—It varies, I think.

6034. Generally speaking, was the safest return in tea?—At the period to which I allude the return in tea was very safe; but of late years very ruinous.

6035. To what years do you refer, when you say of late years?—I think four or five; for the last five years, to speak correctly; I do not pledge myself to one year.

6036. Do you know the reason of that?—The American people are extremely industrious, and have great enterprize. The great facility given by government of the credit for a year on the teas, and equally so the facility with which money is borrowed on respondentia, prevails to a considerable extent.

6037. Will you state what the law is with respect to the payment of duties in America on imports from China?—As regards tea, when the ship arrives we make an entry to land them from the vessel, and put them into bond. The government, if it is a person of respectability, will allow them to be taken into a room in the merchant's own warehouse. The teas are landed, and taken home to this room; and then they affix two locks on the door, the government keeping one key and the merchant the other; those teas may remain any period not exceeding one year; and whenever the merchant wishes to make use of them, he goes and makes another entry, getting some merchant to give a bond with him, and he has another year's credit for the duties. The teas are then delivered to the merchant for sale.

6038. Supposing you landed teas and gave your first bond, and at the end of twelve months took out the teas, should you then give another bond for the payment of duty at the expiration of twelve months from that time?—Yes, precisely so. The first is my own simple bond; the government do not consider themselves as putting me into possession of the property; they take my simple bond for entering in store; but the second bond is countersigned by a merchant, supposed to be of some solidity.

6039. Then you might possibly have credit for two years, minus a single day?—Yes; but I can make no use of the teas for the first eleven months. Until I make my second entry I do not gain any thing by my teas being in bond.

6040. But the payment of duty might be deferred for two years?—Yes; precisely so.

6041. Could you sell your goods before the expiration of the first year?—Yes. Though the goods are on my premises, the government have one key and I have another; by making the second entry I can get possession of the property at any time; but, in point of fact, I have only one year's credit, though the payment is deferred for another year.

6042. You have one year's credit after you have sold the goods?—Yes. It might so happen that I had not much credit in the duty on those teas if the market was depressed. I might not gain much time; but, generally speaking, all merchants within the year avail themselves of a favourable period, and sell off the whole of their teas; and it is understood in America that the first shipment enables a person to send out two others, when sold off, together with the benefit of the credit he has derived, if so disposed.

6043. When you take your goods out of bond at the end of

22 June 1830. eleven months and sell them, the price you receive covers the duty you have afterwards to pay?—It ought to do.

Mr. R. Milne.

6044. How are you paid; in ready money or by bill?—The trade of America generally, in the large seaports, is for promissory notes. We give six months' credit; in general from four to six, according to our agreement; those notes we can convert into money, on some terms, to re-ship to China again.

6045. At what rate could you convert that bill into money; can you discount a bill at six months?—Six months, or nine months sometimes. The bankers do not discount paper longer than four months; but bills can be discounted at four, six, and eight months, at six per cent. per annum.

6046. Having by the sale of those goods realized some profit on what you had originally invested in the purchase of the exports sold, and having likewise received an additional price, which may be considered as money lent you by the government, you are enabled to purchase another cargo, and so to continue the adventure?—Yes.

6047. Has not the American trade with China been in a great measure supported in that manner?—Not at the period to which I allude; they were then *bonâ fide* capitalists. There went in one of those freight ships, which were frequently the richest ships visiting China for their tonnage, consignments by ten or twenty shippers. I would ship £2,000 or so upon one of those vessels, and go on as many vessels as I could; being my own underwriter, which increased the profit, I would ship £1,000 or £5,000, according to my ability.

6048. Will you state what were your actual losses by underwriting?—I never lost any thing; they were good vessels. I think I shipped once to Calcutta, in the year 1817 or 1818, in a vessel which had something damaged; but I gained, I did not lose then.

6049. What was the rate of insurance to China at that time?—During the late war it was seven or eight per cent. out and home.

6050. Were you peculiarly fortunate, or was the loss small in general?—They were good ships, and they took care whom they selected for captains; the captains were persons of good habits, and intelligent.

6051. Was there then very little competition among the insurers?—There are a great many insurance offices.

6052. Is not insurance in general higher in America than in this country?—I do not think it is now; it may be a fraction; in America there is no policy duty; I go to an office and insure £1,000 sterling, and all I have to pay is one dollar for a printed policy.

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6053. What is it in this country?—I don't recollect, or not positively.

6054. During the time you were engaged in the trade, did it appear to you that the quality of the tea you imported was deteriorated?—The tea called young hyson, which was in great demand in America, deteriorated or fell off very much in quality.

6055. Was the quantity imported much greater than it had been?—The import certainly increased. I think twenty years ago they told us that young hyson tea, that which was really young hyson, the buds of the first gathering of hyson, I believe, could not exceed 4,000 chests; but the Chinese finding it in great request, and that the Americans would give a fair price for it, they increased it to 20,000.

6056. Have they furnished an inferior tea?—Yes, the quality fell off very much.

6057. Did the quality of black tea deteriorate much?—I never imported much black tea.

6058. Did old teas of a former year obtain a ready sale in America?—No; they declined in value, to speak correctly, five per cent., unless the new teas were very inferior in their quality, and the old ones have been superior; then the difference might not be so great; but if the new teas were of good quality, it would be difficult to sell the old teas.

6059. Even at a loss of five per cent.?—Yes, I think so; I believe I am speaking within bounds, but I cannot pledge myself precisely.

6060. Are you yourself a judge of the quality of teas?—I know a little.

6061. Should you say that the old teas were very inferior to the new, supposing them to be originally of the same quality?—Since I was examined in another place I have been into different shops in London to inform myself. I examined their teas, and talked to them. Some of them I knew. Their ideas appeared to me to be very much the same as ours in America, and that the depreciation in the quality of teas would exceed five per cent. per annum.

6062. In the second year would it fall off more than five per cent.?—I do not mean to speak to that. I should think that the lower-priced teas would fall off from five to seven and a half per cent. in the first year; but that I may be within the mark, I would say five.

6063. Would the higher-priced teas fall off in the same proportion?—I think not.

6064. What induced you to leave off the trade?—It was not profitable, and I was drawing my affairs into a small compass.

6065. What part ceased to be profitable; was it the import of

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teas, of silks, or of nankeens?—Of teas chiefly; the loss was serious on teas latterly.

6066. Was there any profit on the common articles you mention; drugs, and so on?—We used to import cassia to fill up the tonnage in many of those ships. Two tons and one-eighth were allotted for every thousand dollars in value; and if the teas and silks did not make up the tonnage, they put in other articles of smaller value.

6067. To what year do you refer, when you say the trade became unprofitable to you?—The last time I shipped was in 1820. I did not lose money, but I did not make any. A year or two after that it was better; but I believe since 1824 there has not been much profit on teas. Some persons with superior judgment and management may do better; but taking it as a whole, I think the losses have been great.

6068. Have you any information by which you can judge whether the trade is now reviving?—My letters from America, from persons engaged in vending English goods in particular, within the last two months, say, we cannot complain of trade. I am told, indeed I see from the prices-current, that teas are very low; but I believe the Americans succeeded better this year in vending English goods in China; in some degree, perhaps, owing to the misunderstanding with the Company.

6069. Were you in America in 1825?—Yes.

6070. Did you at all watch the tea market at that time?—I do not recollect particularly watching it; I know it was very bad.

6071. Was not that a year in which there were larger importations than any other year?—That was during the years 1824, 1825, and 1826, and persons who were then speculative traders, Mr. Thompson, Mr. Smith, and others, have failed. I believe the vending of English goods in China by a person who had some knowledge of the caprice and taste of the people has been beneficial.

6072. Do you mean English goods taken from America, or English goods carried by Americans from hence?—English goods carried by Americans from hence to China.

6073. Can you state what proportion of tea imported remains in bond for the whole eleven months, and what proportion is taken out immediately?—I think in the course of thirty or forty days after the import nearly the whole is taken out. The greatest part of the China traders make an entry for the benefit of long credit into their own warehouses or government stores, and so soon as that landing is completed they generally make a final entry, get the teas into their own possession, and make a public sale of them, the same as at the India-House, they sell off an entire cargo on the credit of six months; an auctioneer or per-

son who vends those goods is often a person of capital; he will agree to sell the goods, to guarantee the debts, and to cash the bills, at a certain per-centage.

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6074. Is it allowed to sell goods in a bonded warehouse, without paying up the duty?—No, it is not; they make an entry and give a bond with security, and then they are delivered; they do not allow them to be sold in bond; if there be an hundred chests, a merchant can enter five or ten as he wants them; but it was the custom with many traders to make a final entry, and sell the whole off.

6075. What is the amount of duty payable in America on tea?—It is a specific duty varying according to different qualities; on the common bohea it is twelve cents per pound; on congo and souchong, and on all black tea it is twenty-five; on hyson skin tea it is twenty-eight; on young hyson and hyson it is forty, and on the fine teas, imperial and gunpowder, I believe fifty cents per pound.

6076. What is the proportion of the duty paid in America to the duty paid in England?—It appears that the duty paid in America on all the teas is about equal to the first cost in China; I lieve I may say it is a hundred per cent.; if the tea in China costs 1*s.* the duty is 1*s.* in America; I have before stated it at 75 to 100, but I believe it is 100.

6077. What is the amount of duty when paid on the sale price in America?—If hyson skin tea sells for sixty-three cents, the duty, which is twenty-eight, is equal to forty-five per cent. On the finer teas the duty may be thirty-three or thirty-five per cent. on the sale price. I speak without calculation, but I believe I am nearly correct.

6078. What is the difference between the cost price in China and the sale price in America of the different sorts of tea?—It has been very bad indeed of late; the loss on many of those teas has been twenty-five per cent. and thirty per cent. I am given to understand now, that the import of tea into America this season will occasion loss; but I only know what others have told me upon that subject.

6079. Should you say that teas bought at New York and Boston in the course of the last autumn were sold at a remunerating price to the importer?—I should think not; persons in Boston and others have made a profit, perhaps, on the outward voyage on English goods from this country.

6080. To what cause do you attribute this loss thus sustained?—The market has been overstocked with tea; the teas on the continent of Europe have been exceedingly low. The trade to Canada, as it was termed, has been cut off completely: Coffee is very low in price, and people in America breakfast on coffee.

6081. Did the persons whom you employed to transact your

22 June 1830. concerns at Canton experience any difficulty in managing them there?—My opinion is, that they did not experience any difficulty whatever; I never heard of any.

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6082. Neither from the regulations of the government, nor the dispositions of the people?—I never heard of any difficulty whatever; I believe that if they conduct themselves with propriety they never experience much difficulty.

6083. Do you conceive the absence of dificulty was at all increased by the presence of the East-India Company's establishment there?—No, I do not think it was; I believe that those freight ships from Philadelphia were as well received there as any ships visiting that port; they were the richest ships, decidedly, for their tonnage.

6084. Did your agent at Canton ever represent that there was any difficulty in obtaining an increased quantity of teas, if there was a demand for it?—The young hyson tea left us the best profit. Our instructions were to bring all the good young hyson tea they could procure, but their answer was always that it was not to be had. Of the other qualities of tea, sometimes the price was a little higher, but there was no deficiency in quantity.

6085. Is the young hyson the best?—No; but it is a favourite tea with the Americans; it represents the hyson, and is at a moderate price.

6086. The quality of young hyson fell off you say in one year, did it improve in subsequent years?—I do not think it did.

6087. To what year do you refer when you say it fell off?—I think the last five or six years; the prices-current speak to that; the prices being so low.

6088. It has not recovered in quality?—It had not while I was in America, or not generally.

6089. Was there any difficulty in levying the duty on tea, on the principle of rateable duty?—No, I think not. There were some of the parties did not pay; but there was no difficulty as to the adjustment of the duty, that I am aware of. The boxes are marked outside with the different qualities of tea. The boxes are nearly all of the same size; but a box of fine tea weighs much heavier than a coarse one.

6090. Then there could not be a very extensive fraud?—There could not be. A box of fine tea is thirty or forty per cent. heavier than one of coarse tea.

6091. Have you seen the statement delivered in to this committee, and printed, of the comparative prices of tea at various places on the Contient and in America, and the prices the same teas would fetch at the East-India Company's sales without duty?—I have never seen that, not having been able to procure it.

6092. What other modes of remittance from China to America are there besides tea?—Silks and nankeens. 22 June 1830.

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6093. Is there any mode of remittance by bills?—They often sell bills drawn on London. If the exchange be favourable, they carry out credits.

6094. Would the loss by remitting by bills be greater or less than by remitting by tea?—I am not acquainted with the exchange; I suppose one will govern the other very much.

6095. You mentioned that some shipments from America to China had been attended with advantage, in which the exporter had consulted the caprices and taste of the people?—There are persons who are good judges of fancy silks; and the Chinese can imitate any thing while they remain there. One of those rich ships will remain three months. The supercargo will take out patterns of English or French goods, and will have something made as near them as possible. The person who orders those goods will keep the patterns to himself, and if they are rich fancy goods, he is perhaps greatly benefited by them.

6096. Do you not think that the exertions and inquiries of individual merchants would be much more conducive to improvement in such a trade as that tha the dealings of a great company?—I have no doubt whatever but that that would be the case. But it is my decided opinion, that if you take an experienced man out of a large wholesale warehouse in London or Manchester, accustomed to the sale of goods, and to study the caprice and taste of buyers, such an individual placed in China could give instructions to this country, by which they could imitate a variety of costly goods, at a low price, to please the Chinese. They could imitate a variety of things which the people wanted, and could extend the sales in a two or threefold ratio in a reasonable period.

6097. You conceive that the inquiries of individuals are almost essential to the improvement of such a trade as that?—I think if I took an experienced man out of a large extensive warehouse in London or Manchester, accustomed to the sale of goods and to study the state and caprice of the buyers, he would be enabled to communicate highly valuable information to the manufacturers in England; and such persons could extend the trade two or threefold in a few years.

6098. You think that if the export trade of the East-India Company to China has not lately increased, it may be in part owing to the absence of that species of exertion?—I should think it is in part.

6099. Have not the Americans had the means of sending out such a man as you have described for many years past?—Yes.

6100. Have they done so?—I know some of them have not;

22 June 1830. but I think such a person as I have described would be very valuable if he was in China.

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6101. Has such a person ever been sent out there?—There perhaps have been persons sent there who have done it in part; but not such as are to be had in the great warehouses in Cheapside or Manchester.

6102. In the event of opening the trade with China, do you apprehend that the English merchants would have the means of extending that trade beyond those which have been possessed by the Americans?—I think an English manufacturer or merchant would understand the shipment of goods better, as regards a free trade; he would be on the same footing as regards the trade in tea. The Americans have of course the same advantage as the English; but it is very difficult to enter into competition with a large manufacturing house in this country.

6103. Do you not think that a manufacturing people would unavoidably enjoy greater advantages of the kind to which you have been just alluding than a nation which was not manufacturing?—Certainly; that is what I mean to say.

6104. Have not the Americans possessed means of exporting manufactures from this country, and of adapting the form and the colour and fashion of those manufactures to the taste which they understood to exist in China?—They certainly have had persons here; but the very limited extent to which the trade has been carried to so immense a population must shew that it is in its infancy, in my opinion.

6105. Do you think there has been a want of capital in the trade?—No, I do not think that there is a want of capital; but the trade is too limited for so large a market; that is my opinion.

6106. Do you know whether the Americans have attempted to trade with any part of China except Canton?—Not to my knowledge.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 24° Junii 1830.

The Lord President in the Chair.

Sir JAMES BRABAZON URMSTON is called in, and examined as follows:

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6107. You were in the Company's service in China?—I was.

6108. What was your situation?—I was there altogether

above twenty years; I filled the several stations in the Company's factory, and was president of the factory about five years in the latter part of my residence there.

6109. Do you think the Company purchasing their teas generally by contract, purchase them as advantageously as individuals who purchase them in the open market?—I think so, most certainly; they have the chance of procuring better teas.

6110. Do you conceive that all the best teas are furnished to those merchants who contract with the Company?—Not all of them; a portion of the Company's teas are purchased in the market.

6111. What proportion of the teas is purchased in the market?—It depends a good deal on the circumstances of the season; sometimes a third, sometimes a fourth, sometimes a fifth, if the contracts fall short, which has been the case frequently. When they have not been able to obtain a sufficient quantity of the contract teas, the investment is made up by purchases in the market.

6112. Have the contractors usually failed in delivering the higher or the lower qualities of teas in the quantity demanded by the Company?—During my residence in China, particularly during my chiefship, there was a great defalcation in the quantity of the green teas; that happened in two or three seasons; we had also some difficulty in obtaining the quantity of green teas which the contract required.

6113. Have you gone into the open market for the purpose of purchasing those green teas, when an insufficient quantity was furnished to the Company by contract?—When the quantity of green tea was not to be had under the contract, there was scarcely any of that tea to be had in the market. I alluded, in my former reply, chiefly to the purchases of black teas; it seldom occurred that when there was a deficiency of green teas there were any of those qualities to be had in the market.

6114. How do the Americans purchase their teas?—There have been instances where they have individually and privately contracted for the teas, but I believe generally they purchase in the market.

6115. Do they not usually purchase a very large quantity of green tea?—The Americans have generally run upon green teas; almost invariably. The proportion of black teas imported into the United States of America has been, I understand, comparatively very small.

6116. In those years in which an insufficient quantity of green teas has been furnished on contract to the Company, and they have not gone into the market to purchase any quantity in consequence of the deficient supply in the market of that quality of tea, how have the Americans supplied themselves?—It has frequently happened that in the season when the Company could

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not obtain their quantity of teas, the Americans have also been deficient in their quantity of teas to a certain extent; besides which the Americans have frequently taken that description of green tea which the East-India Company would not, as being unsuited for their investment.

6117. Buying green teas of an inferior quality?—Yes.

6118. Should you say that in general the quality of the American teas has been inferior to that of the Company?—I should say so most distinctly; there must of course be some exceptions to this, in a trade carried on for a long period of years.

6119. Have the teas the Company have purchased in the market been inferior to those they purchased on contract?—Not always; sometimes they have been equally good, at other times they have been rather inferior; they have sometimes been compelled to take rather an inferior quality of tea to make up their investment, not from choice but from necessity.

6120. Who are the persons who supply the market at Canton with tea?—Different teamen (as they are denominated); teamen who come down from the country. They bring the contract teas for the Company, through the Hong merchants, and also their private consignments or investments of tea, to be disposed of to the Company and private individuals. Some of the Hong merchants supply the Americans frequently with such teas.

6121. Do those teamen bring down tea in small quantities?—They sometimes do, but generally in what may be considered large quantities, seldom less than two or three hundred chests, which however is comparatively small certainly.

6122. Are they proprietors of the tea, or agents for the sale of it?—Sometimes they are proprietors and sometimes brokers; but I think, generally speaking, the men who bring the teas down are brokers or agents, who bring them from the proprietors in the tea country.

6123. Are they persons of similar character to those with whom the Hong merchants contract for the supply of the East-India Company?—I believe they are of the same character of Chinese, as far as my information goes.

6124. Are they not sometimes the same individuals?—Sometimes it happens so in the course of a period of years.

6125. If a teaman had made a contract he thought not advantageous with any one of the Hong merchants, he would bring his tea into the market, would he not?—If the contract is once entered into between the Hong merchant and the teaman, he is bound to produce it.

6126. If he thought it was not advantageous to enter into the contract proposed to him by the Hong merchant, he would then bring his tea into the open market?—Most assuredly.

6127. So that the only circumstance which would determine

him in contracting with the Hong merchant, or bringing his tea into the open market, would be the terms, whatever they might be, which might be offered to him by the Hong merchant?—I should apprehend that they have the chance of a better sale to, and payment from, the Hong merchant than in the market, and certainly so if the teas were intended for the Company's investment. 24 June 1830. Sir J. B. Urmston.

6128. The teaman, when he brings down his tea, sells through the agency of the Hong merchant, does he not?—Very frequently he may sell to the outside man, because the teamen do not come within the monopoly of the Hong merchant at Canton; they are, I believe, free agents as far as the disposal of their tea is concerned.

5129. Do the Company usually conduct their business through the agency of the richest and most solvent of the Hong merchants, or through that of insolvent merchants?—The business of the East-India Company at Canton has generally been divided among all the Hong merchants. When the poorer or junior merchants have not been able to procure their teas, it has generally been done through the agency of the senior merchants.

6130. Have they ever by preference dealt through the agency of the inferior and less solvent merchants of the Hong?—That has rarely been the case; it has I believe occasionally; I do not immediately however recollect: when they have had proper security for the obtaining of the teas from that merchant; they have seldom done it unless that person was secured by some of the more opulent merchants.

6131. Have they done it extensively?—No; the reverse.

6132. They would rather avoid doing it?—Yes, assuredly, if there was any risk, especially.

6133. Do you apprehend that open traders at Canton derive any advantage from the circumstance of the Company trading through the agency of the insolvent Hong merchants?—I should think it made very little difference to them.

6134. In what way would it benefit them at all?—I do not think it would at all interfere with them.

6135. Are teas obtained more readily through the insolvent than through the richer merchants?—I should say not; for the teas would be required to be of the same quality as if they were purchased through the richer merchants.

6136. Where the name of an insolvent merchant is used for a transaction in tea, what commission does he receive; does he receive the same as if he were a solvent merchant?—It is done with that view; some remuneration has generally been made to the Hong merchant who thus assisted the insolvent one; whenever the East-India Company deal in that way with the insol-

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vent merchant, it is to give him some assistance to endeavour to relieve him from his difficulties.

6137. So that it is exactly the same thing to them whether they purchase through him or through another; they pay exactly the same commission?—Whenever that has been the case it is so; but it is not a very usual occurrence, as I remarked before.

6138. They would not go out of their way to give the advantage of that remuneration to an insolvent, in order to place him in a situation of great wealth and more respectability?—I conceive that if a merchant had failed probably more from unfortunate circumstances than misconduct, the Company would endeavour by every means in their power, consistently with their own interest, to assist that Hong merchant, in order to restore him to his former situation.

6139. Do you apprehend that it is necessary that the Company's trade at Canton should be conducted by an establishment so numerous as that which is now there?—I conceive it would be quite impossible to conduct the Company's trade with a less establishment than now exists.

6140. Are all the persons on that establishment constantly employed?—Entirely so, during the season of business, which is about six or eight months; and a good deal at other times.

6141. What length of time should you think required, in order to obtain such a knowledge of China and the trade, as to be enabled to conduct the business profitably and well?—I think that it would take some years; the mere buying and selling of teas might be acquired in two or three years; but there are other equally important occupations which require several years' attention and study to make them perfect.

6142. Do you allude to the learning the language?—I allude to the knowledge of the Chinese character, system, and habits, to enable us to negotiate with them in the anxious discussions in which the Company's servants have been involved. I do not think any person could do it successfully, unless after some years of experience and study of the general system of the Chinese at Canton.

6143. Do you apprehend that in that respect the Factory has advantages over any private agent residing at Canton?—Most decidedly, the greatest.

6144. What particular advantages, in your opinion, are derived to the general trade of other merchants, from the circumstance of the East-India Company trading at Canton with their monopoly?—I consider that the East-India Company, by their power and their influence generally, have been able to gain points with the Chinese which have proved frequently beneficial to the other nations trading to China.

6145. Had the East-India Company conducted a trade of the same extent under the same management at Canton, but without a monopoly, do you think they would have been enabled to effect the same objects?—Certainly not, in my opinion.

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6146. In what way do you apprehend that the possession of that monopoly has given them a greater influence than they would have otherwise possessed?—It is the great combination of the Company's influence, if I may use that expression, which gives them a control over the markets generally at Canton.

6147. Does not that influence depend upon the extent of their dealings conducted by the Select Committee, and not upon the circumstance of their being assisted in their profits by a monopoly?—I should say that, strictly and fairly speaking, the East-India Company's trade is not that close monopoly which has generally been represented. I allude to the very large quantity of British shipping belonging to individuals or private houses of agency, which annually proceeds from our Indian dominions to China, generally called country ships, quite distinct from the Company's ships from this country. The Company's trade in teas to this country is certainly a monopoly.

6148. Do you apprehend that, in their dealings with the Hong merchants, the Company derive a very great advantage from their power over the country ships; their power of stopping the trade?—I certainly conceive that they possess this advantage, that having the authority vested in them over the country ships which trade between India and China, they are enabled to take those measures which would prevent any improper conduct on the part of the country ships, if they were so disposed.

6149. If their power over the country ships extended no further than to the prevention of improper conduct on the part of the crews of those country ships, do you apprehend that that power would give them any particular advantage, in dealing with the Hong merchants, of preventing exactions and impositions? —Certainly, it gives them a great advantage, I conceive.

6150. What other power have they over the country ships? —They have the power, in fact, of general official controul over them, as having the British flag flying; they are always placed by the regulations of the East-India Company, as soon as they arrive in the port of Canton, distinctly under the authority of the East-India Company's representatives in China.

6151. Have they not the power of stopping the trade, and preventing their carrying on the trade with the Hong merchants?—Most unquestionably; it has been done occasionally, but only on important and imperative occasions.

6152. Is not that a most powerful means in their hands of preventing the exactions of the Hong merchants?—Most certainly it is.

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6153. Suppose the Company to lose their monopoly, could that power still be exercised by the persons to whom the management of their trade might still be confided?—Yes, I think as regarded the Chinese it might be; because I think their influence, from the magnitude of their trade, would continue, supposing their trade existed to the same extent, with the exception of its not being a monopoly.

6154. This power of stopping the trade of the country ships does not arise out of the great trade of the East-India Company, but out of the law and the act of the Indian government? —Yes; it is an agreement between the government in India and the owners or agents of the country ships, that they shall be subservient to the Company's orders and regulations as soon as they arrive in China.

6155. Supposing there were no East-India Company trading to Canton, would it be possible for the government in India to require to have this bond executed in respect of the country ships, and to give some person at Canton the power of stopping the trade?—I consider that state of things would so completely alter the British trade between India and China, that it is impossible for me to form an opinion upon the subject.

6156. Will you explain more particularly the points which you conceive the East-India Company, by the peculiar advantages of its constitution, has been enabled to carry with the Chinese government?—I think the probity of their dealings, the magnitude of their trade, the confidence which the Chinese have for such a long period of years reposed in every act of the East-India Company there, have given them a very powerful influence with the Chinese over the trade; they have frequently, when exactions have been attempted to be imposed on the trade, averted them by the firmness of their servants in China and general influence with the Chinese; and also in cases of homicide, they have induced the Chinese to give up points which would otherwise have been attended with the most vital consequences.

6157. Have the ships of the United States, or the other countries trading to Canton, been subject to exactions of that description which have remained unredressed?—All foreign ships have from time to time been subject to some vexations; and whenever the East-India Company have got theirs removed, the other nations have frequently benefited by the same, when the question bore on the foreign trade generally at the port of Canton.

6158. You conceive no exaction upon the ships of the United States or the other countries has been redressed, except through the intervention of the East-India Company first securing and obtaining a similar redress?—Not at all times; some minor points have, I believe, been occasionally obtained by the Ameri-

cans and others by their own representations; but the very important ones, which the East-India Company have certainly been the means of obtaining by the firm representations of their servants, could not, I am persuaded, have been gained by the Americans or others at Canton. The East-India Company have generally taken the lead, if it was a case in which their trade as well as others has been concerned.

6159. Do you mean that the East-India Company has interfered professedly on the behalf of other countries, or merely that from having obtained redress for themselves, redress has of course followed in the case of others?—They have never applied for redress for other nations alone, but it has sometimes been considered a measure of equity and justice on the part of the Chinese, that what they gave to the Company they would equally give to the other nations. The Company have never interferred for other nations alone by any chance that I am aware of.

6160. Are you aware of any instance in which a grievance, not common to the East-India Company and to the traders of other nations, has, in consequence of being deprived of the advantage of the East-India Company's representations, remained unredressed?—I do not immediately recollect any case in point, but I believe it has sometimes occurred; I cannot say that I remember any particular case in the course of my long residence there; I might perhaps quote one instance where the friendly feeling of the English was useful to other foreigners. I allude to two Russian ships that visited Canton some years since.

6161. State the circumstances of that case?—Those two Russian vessels went to the port of Canton after a voyage of discovery, for the purpose of taking on board a cargo of China produce for Russia; but as the Russians had never been accustomed to trade in the port of Canton, but to carry on their trade between China and Russia over land from the frontier of China, the Canton government in the first instance refused them cargoes, but soon afterwards allowed the ships to load, and made their reference on the subject to the court of Pekin; before that reply returned, the Russian ships had sailed by permission of the Canton government. Soon after their departure an edict arrived at Canton from the court of Pekin, addressed to the Russian ships, and that edict was presented to the President of the Company's factory, with a request that he would forward the same to Russia, the purport of which edict was forbidding the Russians to trade to Canton. During the stay of the Russian ships at Canton, they received every assistance and attention they required from the British authorities, without, however, the British authorities in any way whatever interfering in the public question between the Chinese govern-

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ment and the Russians. I have little doubt but this attention and assistance on the part of the English towards the Russians had a good effect in inducing the Canton government to allow them to load teas. I should observe, that the Russians were the Emperor's vessels, and not private ships.

6162. This was as far as you know, the only instance in which Russian ships came for the purpose of trading to Canton? —The only instance of the kind within my knowledge.

6163. Were the Factory at all surprised that the Canton authorities gave them permission without waiting for the opinion of government?—The Canton government was not, strictly speaking, justified in doing it, but they did it upon their own responsibility, and as we heard nothing about it afterwards, we supposed it was approved by the court of Pekin.

6164. Were the British Factory at all surprised at the Canton authorities taking upon themselves to decide this question?—We were somewhat surprised; but the provincial government at the same time took upon themselves considerable responsibility: the Canton government, however, are possessed of extensive powers, whenever they think proper to exercise them.

6165. Do they invariably attend to any instructions they receive from the Pekin government?—There are, no doubt, general directions for their guidance, but the officers of the Canton government frequently take upon themselves to act as they see proper; it is in consequence of this that we are so frequently subjected to those exactions and annoyances from the provincial government.

6166. In what way does the influence of the British factory at Canton operate on the Chinese authorities in case of any attempt to establish undue exactions; does it go beyond the power of stopping the trade?—It is, as I have before observed, the general influence of the East-India Company, arising from the importance and magnitude of their trade, which gives the Company that weight.

6167. Is not that to which the Company would be obliged to resort, if the Chinese authorities did not yield to their representation, the stoppage of the trade?—We have frequently ourselves stopped the trade, as well as the Chinese; it was a measure they only formerly resorted to, but of late years we have frequently turned the tables upon them, and stopped the trade ourselves, by which means we obtained the point we required.

6168. Supposing there was no such body as the Company, and that the exactions of the Chinese made it unprofitable to trade with them, would not that stop the trade itself?—This would so completely alter the whole face of the intercourse between the English and the Chinese, it is impossible to give an opinion upon it; the removal of the Company's influence

would be so new a feature, that I cannot judge of what might be the consequences.

6169. Do you think that it is any advantage to the trade of the country ships that their trade should be liable to be stopped at the discretion of the Supercargoes?—I think it is desirable; individuals must frequently suffer for the public good, in China as in other places; ships belonging to private individuals, when their trade is suspended, no doubt frequently suffer loss, unfortunately for the individuals; but it is for the general good eventually.

6170. Is not the existence of such a power a great obstacle to commerce?—No, I think not; it has never been exercised but in cases of absolute necessity, and where the necessity has been most unequivocally and satisfactorily shewn.

6171. If the owners of country ships did not think there existed this necessity, they would then have to suffer without a cause?—I think, where an authority like that of the East-India Company exists in China, their opinions should unquestionably prevail over those of the private persons connected with the country ships; they are the persons in authority, and are so much the more responsible to the Chinese, consequently their authority should be indisputable over ships carrying the British flag.

6172. Do the Company abstain from purchasing that inferior description of tea which the Americans purchase, either for their own consumption or for other countries?—Yes, they do.

6173. Is not such tea cheaper than the lowest description of teas the Company sell here?—I believe it is; but every thing depends on the real quality.

6174. Do you suppose that which is used in England by the poorer classes as tea, and for which they pay the Company's prices, is really that plant?—Yes, certainly; that imported by the East-India Company.

6175. If, however, in point of fact, a great adulteration of tea takes place in this country by a mixture of other leaves, would not such inferior description of real tea which the Americans purchase be superior in quality to such adulterated mixture? —That I am not prepared to answer; the teas referred to in my former answer I considered as those sold at the Company's sales, and not teas which might be adulterated in this country afterwards.

6176. Supposing the adulteration to take place; if the poorer classes are now ready to buy adulterated tea at the Company's prices of real tea, would they not be equally ready to buy real tea, though of a low quality, if they could get it at a lower price?—It is impossible for me to judge of the tastes of the inferior orders of people in this country as regards tea.

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6177. Are there not instructions from the Company never to purchase that inferior sort of tea?—Distinctly; we never purchase that sort of tea which is alluded to in the question; I mean tea of bad quality.

6178. Do the Chinese make any distinction between foreign nations trading to Canton in point of duty?—None whatever; the nominal imperial duties are the same; the duties levied on the articles of import and export are the same in respect of all nations.

6179. In case of any difficulty arising in the American trade, how is the representation of the Americans conveyed to the authorities in Canton?—The Americans have a consul there; he is, generally speaking, a complete cypher—I mean in his public and official capacity; the representations have generally been from the individuals, and they have been managed by the Hong merchants.

6180. You stated that the influence of the East-India Company arose entirely from the extent of their dealings?—In a great measure, and the strict confidence the Chinese place in the Company upon all occasions.

6181. What reason have you to suppose that influence would not be equally powerful, whether that influence was managed by a consul appointed by the King's government, or by the Factory appointed by the East-India Company?—I think that the case would so completely change the whole system of British commerce in China, that I feel a difficulty in answering the question; I do not think it possible that an individual in the capacity of a consul could do this.

6182. Why could not the interests of the British be managed by a consul, or some person under the authority of the King's government?—He might manage the mere interests by representations to government, but he could not manage the commercial transactions.

6183. Would not those representations be of equal weight with the representations made by the servants of the Company?—I should say not, most decidedly.

6184. Will you state your reasons, supposing that that person, whoever he was, was invested with equal authority with that possessed now by the Company's Factory, with respect to the British Factory in the port of Canton, the East-India Company's trade existing, but without a monopoly?—I should consider upon that occasion, that in all embarrassments and all discussions with the Chinese government they would still look to the trade and not to the consul; the Chinese cannot enter into the particular question of the exclusive political charter granted to the Company, they look to the Company's servants and the trade generally; and I feel perfectly satisfied they would

treat the consul almost as a cypher, and always refer to the Company's servants and trade, and not to the consul. 24 June 1830.

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6185. As they do with respect to the consul of the American government?—Precisely in the same way; I do not think a consul would have the slightest weight or influence with the Chinese.

6186. Supposing the trade carried on by the Company at Canton were diminished by the removal of the present monopoly, do you apprehend that the influence of their servants would remain as powerful as it is now?—I think to a very great extent it would; as long as they were known to have a trade there, though not a chartered trade, their influence would prevail to a very considerable extent; nor could the Chinese easily be brought to forget the importance of the Company and their influence, though their trade might be somewhat diminished.

6187. Though they saw that, in point of fact, the Company no longer exercised any authority over the British ships trading there?—Yes, I think they would appeal to the East-India Company there, because of the trade being a tangible object; they would stop the Company's trade as they do now; they would not discuss the matter with the consul; they would stop the trade, beginning with the East-India Company's, no doubt.

6188. Do you not think they would have the same disposition to act with the King's representative as they have with the representative of the Company?—I do not think a consul would have the slightest weight or influence with them.

6189. That they would not pay the same respect to the King's officer as they do to the Company's servants?—They might pay him mere personal respect, as being appointed from the crown of this country.

6190. Did they not, in the case of Admiral Drury, object to treating with him, because he was not the King's representative? —I was not in China during the time of Admiral Drury being there; I was in England.

6191. Do you conceive that the Americans suffer any inconvenience or injury in their commercial concerns from not having an establishment similar to that of the East-India Company?—I do; I think they are liable to a great many commercial inconveniences at Canton, from their want of unanimity amongst themselves, and want of unity like a public body.

6192. What proportion of the American trade is managed at Canton by agents?—I am not able to answer that; the American trade has been conducted by private individuals there, and I am totally ignorant of their arrangements in this respect.

6193. How many commercial agents are there at Canton?—I do not know; I do not exactly recollect. When I left China three years ago, there must have been resident there ten or

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a dozen American private agents, and eight or ten British private agents. Very many other British agents, however, are passing the whole year in ships to and from India, or they may stop the whole year round, the Company have never in the slightest degree impeded them; I refer to agents who came round to manage their concerns from our various ports in India, &c.

6194. Can you state what proportion of the country trade, and the trade of Americans and other merchants, is conducted by supercargoes, and what proportion by agents?—I cannot answer that, not being aware of private arrangements connected with the country ships. Sometimes the private ships are consigned to resident agents in Canton; at other times an agent comes with them, transacts the business, and returns in the ship. But there is no rule at all; it is according to the private arrangements of the parties concerned.

6195. Do you think that the power of stopping the commercial intercourse with the Chinese would be as safely entrusted to the consul, who would himself have an interest in the trade, as it is with the factors of the East-India Company, who, if they stop for others, must likewise stop their own, and so impose upon themselves a material inconvenience?—I do not think the consul would be of the slightest use to the trade as long (as I have observed before) as there is a great combined commercial body trading there.

6196. Must he have influence if he had the power of stopping the trade?—I should imagine his influence would be but trifling.

6197. Do you apprehend that the influence possessed by the East-India Company, and the extent of their dealing, with the confidence their probity has inspired in the Chinese, enable them to obtain their teas at a lower cost than the Americans?—With regard to the price I cannot say; but they are unquestionably enabled to obtain better teas; they have the command of the tea market, and the choice of the market over that of other nations at Canton.

6198. Therefore, in trading at Canton, they have a decided advantage over other nations?—I think they have decidedly so.

6199. Are you of opinion that the East-India Company, without the monopoly, would still, as a chartered company, conduct their trade at Canton to advantage?—Most assuredly they would, as a combined commercial body, provided the trade was conducted on the same principles and in the same manner as it is at the present moment. I am viewing this question as one between the Chinese and the East-India Company, not as between the East-India Company and the private individuals in this country.

6200. Has the export of British manufactures to Canton been upon the whole profitable?—For some years past, I believe, quite the reverse. I refer to the Company's principally.

6201. Is it less profitable now than it used to be?—Less than some few years back, certainly.

6202. Are you aware that the price of British manufactures, especially cottons and woollens, has considerably diminished in the last few years?—Yes, it has; but the price has been diminished also in China.

6203. Are you aware that the reduction of price in China has not been in proportion to the reduction of price here?—No, it has not.

6204. Notwithstanding that, has the export of woollens become more unprofitable than it used to be?—It has.

6205. To what do you attribute that?—I attribute it to that which perhaps is not generally very well understood in this country; the resources the Chinese possess in their own manufactures of silks and cottons, which answer their purposes at all seasons of the year and for every class of life. And I should add also, that I think, as far as my information enables me to judge, that China, generally speaking, is in a much more impoverished state as a nation than it was even twenty years ago. I go on such general information only as I collected in China. I think these are some causes, added to the markets being overstocked with British manufactures, why such commodities have not gone off so well in China of late years.

6206. If British manufactures are forty-five or fifty per cent. cheaper than they were twenty years ago in England, and there has been a great reduction in freight and charges, how do you account for the export of British manufactures being less profitable than it used to be?—I can only account for it from this, that the Chinese do not require our manufactures as they did formerly.

6207. The measure of their demand is the price they are willing to give, and we know that they now give a price smaller than that they gave before, but not diminished in proportion to the diminution of the price of the British manufactures in England?—I should say that arose from the Chinese not requiring our manufactures so much as they formerly did; I do not think that the price has any thing to do with it as the want of demand.

6208. Have the prices of their own home-made commodities diminished?—No, I fancy not; I believe they are about the same prices, so far as my information enables me to judge, as they formerly were.

6209. Does it come within your knowledge that the Chinese manufacture a larger quantity of goods than they used to do?—Of cotton goods of their own I have understood they do.

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6210. Have there been any duties taken off their own manufactures, to your knowledge?—I cannot speak to that point.

6211. Do you know of any instance in which the American consul has had recourse to the influence of the Factory with the Chinese to remove obstructions in the way of Americans carrying on their trade?—I am not aware of any.

6212. Are you aware of any particular instance in which the American consul has himself made representations to the Chinese authorities?—There have been frequent cases where, I understand, the American consul has made representations to the Chinese government, and has sometimes obtained redress, and sometimes he has not.

6213. It appears by the paper No. 11, page 21, of the papers before the Committee, that the price of superfine Spanish striped cloth exported in the season 1813-14 was £26. 7*s.* 11*d.*; the sale price of that at Canton in 1814-15, £28. 12*s.* It appears that the price of the same cloth in 1828-29 was £11. 0*s.* 2*d*; the expected sale price in Canton in 1829-30, £17. Can you explain why the export of that cloth should be less profitable now than it was in the year 1813-14?—I rather suspect, as far as my recollection leads me, that that was an experimental consignment at the time it was made, but which proved unacceptable to the Chinese, and consequently the price became reduced?—I think it was an experimental consignment, but found not to answer.

6214. It appears that the price of long ells in the season 1813-14 was £2. 7*s.* 2*d.*, and the sale price at Canton in 1814-15, £2. 10*s.* The price of long ells in 1828-29, was £1. 13*s.* 11*d.*, and the expected sale price at Canton, £2. 2*s.* 8*d.* Does it not appear from that statement, that the export of long ells must be much more profitable now than it was in the year 1813-14?—I can only answer that question in the same way I have done others on the same subject, that I am persuaded there is much less demand for our woollens in the present day at China than there was formerly.

6215. Has any quantity of long ells remained on the hands of the Factory?—Formerly, some years ago, when the Company exported a very large quantity, there was frequently a great quantity remaining in the hands of the Company; but of late years the exportation of long ells has been so reduced they have generally been sold off on their arrival in China.

6216. To what do you attribute the diminution of demand for woollens in China?—I really conceive that it is because the Chinese do not consume our articles as they did in former years, and that the markets have been overstocked.

6217. How do you account for that?—It is very difficult, except that they do not actually require them; they have found

their own manufactures answer their purpose as well, with a less cost to themselves. 24 June 1830.

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6218. Are woollen manufactories carried on in China?—No; but they have the cotton and silk, which answer their purpose.

6219. Do not the higher ranks wear woollens?—No; if they wear any of our manufactures, it is camlets.

6220. It appears from the statements read to you from these returns, that in the year 1813-14 the long ells exported from this country produced a rise in China beyond the price paid for them in England of 2*s.* 10*d.*, and that the long ells exported in 1828-29 were expected to produce a price in China beyond that paid in this country of 8*s.* 9*d.*; can you state how, under those circumstances, the export of long ells can be less profitable now than it was in 1813-14?—No; I am not aware of the circumstances.

6221. Has there been any import of goods in competition with ours into the port of Canton of late? — The Americans have imported them.

6222. In what respect are their articles preferred to ours?—I do not think their articles have been preferred to ours by the Chinese, but from such an additional quantity being thrown into the market, the market has become overstocked.

6223. In the same articles do the Americans undersell us?—Yes; but there is one thing I might probably be allowed to state; the Americans were in the habit at one period, in China, of introducing a quantity of camlets, for which they did not pay the regular duties, but either smuggled them or passed them off as another article, whilst the East-India Company were paying seventeen and eighteen dollars a-piece for articles of the same description, paying their regular duties publicly; this transaction of course gave the Americans every advantage in the disposal of this article.

6224. That would be only a temporary case; where the duties are equally and fairly paid by the Americans and the East-India Company, is the price of the American camlets or the Company's camlets lowest?—They are the same price; I believe they are the same article; they were sent from Liverpool, as I have understood, and had very much the appearance of the Company's bales, they were so ingeniously packed up and marked.

6225. When the Americans state that they have realised a profit on the export of British manufactures to China, do you apprehend that may be attributed to their having smuggled in those articles and avoided the payment of duties?—I think it is to a considerable extent: I doubt very much the Americans having obtained the advantages which have been stated in the public papers; an American of some respectability assured me,

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6226. In what year was that?—In the year 1825 or 1826.

6227. Do the Americans generally do their business at Canton through the Hong merchants, or in what form?—A great deal through the outside merchants.

6228. When a ship drops her anchor, is not security entered into by some one for the good conduct of her crew during her stay on the coast?—Immediately; and she cannot commence her commercial operations till some Hong merchant secures her.

6229. Is there any greater difficulty experienced by the Americans, whose trade is free, in finding such security, than is experienced by the East-India Company's ships?—Most certainly; the Americans have frequently had difficulty in obtaining a security merchant for their ships.

6230. To what do you attribute that difficulty?—The natural aversion which every Chinese has to become responsible for the act of any ship, but above all a private one.

6231. Why should that operate to a greater extent with the Americans than with our ships?—Because we have entered into an agreement; there is an understanding between the Company's representatives and the Hong merchants, that the Company's ships shall be secured by the Hong merchants in rotation as they stand upon the list.

6232. How is that applied to the country ships?—The country ships are secured generally by an arrangement between the agents or the parties belonging to the country ship and any particular Hong merchant through whom they may sell their investment; that is a private arrangement entirely.

6233. Do country ships find greater difficulty in getting security than the Company's ships?—Sometimes they have a difficulty, but not very frequently.

6234. Is there any difficulty at all when a ship is consigned to a private agent?—Not so much if he is an established agent of respectability in Canton, of which there are now several.

6235. The question refers to country British ships; is there a greater difficulty experienced by a British country ship in gaining security than by an American free-trader?—I should say distinctly that the difficulties are less with the country ships, from the circumstance of their being British country ships; for they know that those ships are under the authority of the Company's representatives.

6236. Do the Dutch carry on any considerable trade in Canton?—When I left China there were four or five ships from Holland, of about four or five hundred tons each, I believe.

6237. Do they trade under any chartered company, or are

they running ships?—Originally they traded entirely under a chartered company (the Dutch East-India Company); during the war that trade was annihilated, and the Americans became the carriers of that trade; at the conclusion of the war the Dutch appeared again; there were some private ships, others were sent out by an establishment, a body called in Holland, I believe, the Dutch East-India Company, or the Dutch Company; but I have heard so little about it that I am not prepared to answer the question distinctly, as regards this new Dutch Company; but formerly they traded as a public chartered body for many years.

6238. Supposing the trade of the East-India Company with China became at liberty, do you conceive there would be greater difficulties attending the private trade in finding security for the good behaviour of the crews of the shipping than is now experienced under the present management of their trade?—I should say so distinctly; private individual ships, or private traders, would have very considerable difficulty in obtaining security of merchants for themselves in China.

6239. What is the export generally of the Dutch ships to China?—Dutch camlets has been their principal article of export.

6240. Is their trade an increasing trade, or diminishing?—I have not heard for the last three or four years much about the Dutch China trade.

6241. Are those camlets of a quality superior to those imported by the East-India Company?—The Chinese at one time preferred the Dutch camlets; but latterly our manufactures have been so much improved that I believe the Chinese give the preference to our own; at all events, they hold them in equal estimation with the Dutch camlets.

6242. What has been the import cargo into China by any other ships?—The Spaniards have very rarely visited China of late. The Portuguese trade is confined strictly to the little colony of Macao, which they have in China. Their trade almost entirely consists of opium, between Bengal and Macao.

6243. Have there been any French ships?—Yes; they brought principally wines, and articles of that description, and returned with an assorted cargo of teas, and silks, and china-ware; a general assorted cargo, in fact.

6244. Did you hear whether the import of wines was profitable?—The wines were profitable to a small extent; they were not bought by the Chinese, but by Europeans resident in China. They brought money principally for the purchase of their homeward cargo.

6245 Has there been any Danish or Swedish ship?—A

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6246. Do you think wine would be a profitable article in the China market?—No; quite the reverse. The wine by the French ship was bought up by the Europeans, being a superior article, for their own drinking; the Chinese do not drink it.

6247. Do you apprehend, if there was a much greater demand for tea, that tea could be furnished by the merchants of equal quality?—In the course of years; but I think for the first few years there would be a considerable difficulty in their getting a sufficient quantity. The demand must become gradual, and regular, and established; then possibly they might increase the growth of their teas, but it is by no means certain.

6248. During the last fifteen or twenty years there has been, has there not, an increased demand to the extent of five or ten millions of pounds, on the part of foreign merchants trading to China altogether?—There has been an increase, but that has chiefly arisen on the part of Great Britain.

6249. Has that great increase produced a deterioration of quality, or an increase of price?—As far as the Company's investment goes, I do not think that it has made any difference in the quality of their teas.

6250. Has it in the price?—No, I think not.

6251. Then in the course of ten or fifteen years an additional quantity of five or ten millions of pounds of tea having been exported from China, has that been, so far as you know, without any deterioration of quality of that increased quantity of teas which has been furnished to the East-India Company, or any increase of price?—Yes, without any deterioration in quality; but I consider that it has arisen solely from the extreme care, vigilance, exertions, and attention of the East-India Company's servants in China, that the additional quantity of teas, so stated to have been imported, was not of a deteriorated quality.

6252. Will you turn to the Account No. 11, in page 21, to which you have been before referred; what description of cloth is that stated to be superfine Spanish striped cloth?—It was, I believe, sent out to China the year after I quitted Canton; I do not remember to have seen it, but I understood it was an experimental concern; I know the circumstance of its having gone out.

6253. Were not you in Canton in 1813-14?—I was, but it did not come under my eye; I have no recollection of having seen it.

6254. It appears that the quantity of that particular article of cloth has increased between 1813-14 and 1828-29 nearly double; is the demand for that description of cloth increasing in China?—Certainly not; I should say decreasing.

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6255. Then how do you account for the fact of a greater quantity having been sent to China in 1828-29 than in 1813-14?—From the anxiety of the East-India Company to forward the exportation of British manufactures as much as in their power was possible.

6256. Do you attribute any part of the decrease of price to the market being overstocked in China?—Almost entirely to the market being overstocked, as I before remarked.

6257. Have you any reason to think that the supply of tea of a superior quality sent from the tea country to the market of Canton, is below the demand that there is for that species of tea?—Most distinctly; the East-India Company have frequently had considerable difficulty in getting the better kind of teas.

6258. You think that there is a species of tea, the supply of which is so limited, that, after the East-India Company have been furnished with the quantity they required, the Americans, if desirous of procuring it, would be unable?—They would be perfectly unable to obtain it.

6259. Do you know, or have you heard, of any instance in which the Americans, being able to procure a superior sort of tea, have chosen an inferior description, as finding it more profitable?—No, I am not; I am not aware of the circumstance.

6260. If, however, it should be the fact that, having an opportunity of making such a choice, they have chosen the inferior description, how would you account for that fact?—It must be from their own commercial arrangements, which I cannot be aware of.

6261. Is not the sort of tea to which your late answer had reference principally black tea?—Souchong and green teas, and the better sort of congo.

6262. Has not the demand for green tea in the English market considerably diminished of late years?—I am not aware of the state of the English market.

6263. You were in China in the years 1818-19 and 1819-20?—I was.

6264. It appears in the Account No. 32, that in the year 1818-19 the Company exported from China 21,085,860 lbs. of tea, and in the following year 28,476,231 lbs.; are you aware whether any difficulty was experienced in obtaining that increased supply of more than seven millions of pounds of tea required in one year, and whether the price rose in proportion to that increased demand?—The Company's servants, if I recollect rightly, had considerable difficulty in obtaining that additional supply at that period; with regard to the prices, I have no immediate recollection of them.

6265. It appears that in the year 1825-26 the Company exported 27,821,121 lbs., and in the year 1826-27, 40,182,241 lbs.

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of tea; are you aware whether any difficulty was experienced in obtaining that increased supply of more than twelve millions of pounds of tea in one year?—They had, if I recollect, very great difficulty in obtaining that additional supply.

6266. Are you aware whether the price was increased in proportion to that increased demand?—I am not.

6267. Does considerable adulteration of tea take place between the time of its leaving the place of its growth and Canton?—No, I believe not; and most certainly not in the Company's teas.

6268. Not any mixture?—No, I believe not; certainly not in in the Company's.

6269. Are you able, from your acquaintance with China, to assign any reason why the supply of a superior description of teas is unequal to the demand?—I can only account for it from the deficit in the growth, that there is not sufficient of it; the Chinese, perhaps, have not sufficiently attended to an extended cultivation of it.

6270. Has there been any additional tax imposed by the Chinese government affecting the growth of tea?—Not to my knowledge.

6271. How long does it take, in the culture of the plant, to bring it to that state to produce the teas?—I have understood from intelligent Chinese that it takes about three years, generally speaking; but I believe it depends a good deal on soil and locality, and other circumstances.

6272. When the demand for tea has been so greatly increased, has the Company been obliged to purchase teas of a very inferior quality?—They have sometimes been compelled, when they could not obtain teas of a better sort, to make up the additional quantity with teas of a lower quality than that termed the contract quality of teas; but they have always been exceedingly cautious and particular in the quality of their teas.

6273. Can you state whether, in that year in which the demand of the Company increased to an extent of more than twelve millions of pounds, the whole of that additional quantity consisted of inferior tea?—I have no immediate recollection of the quality which comprised that additional quantity. I should think part of it must have been of superior quality, but I have no distinct recollection at this moment.

6274. Do you know whether any part of that increased supply was brought from the remoter parts of the country?—No, certainly not; it was all brought from the usual tea country.

6275. Is the tea which is furnished to the Russian commerce, furnished from the same parts of the Chinese empire with the tea that comes down to Canton?—That is a point we have never been able distinctly to ascertain; but, from all my information,

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I am led to believe that the teas sent overland to Russia are partly obtained from the tea countries from which we get our supplies, and partly from another province from which we do not get our supplies.

6276. Can you state whether, upon the whole, the cultivation of tea is on the increase or stationary in the provinces?—I cannot.

6277. Have you been able to ascertain what increase of price is necessary to cover the cost of the conveyance of a pound of tea from the most distant province to where it is conveyed to Canton?—No; I am not able to answer that question.

6278. Have you ever heard the original price of tea in any of the provinces in which it is produced?—No, I have not; it passes through so many hands, and there are so many expenses attending it, that it is difficult to arrive at that fact, limited as we are in China, in our means and channels of information.

6279. Do you know whether the tea purchased for private consumption in China is purchased at a cheaper rate than that which you pay for it?—I am not exactly aware of that.

6280. How many years does the tea plant continue to thrive? —I have heard it variously stated; some say ten or fifteen years; it is merely a mattter of opinion with me, from my general information on the subject.

6281. Can you at all account for that extraordinary increase of twelve millions of pounds, which appears to have taken part in the export of tea from 1825-26 to 1826-27?—I can only account for it from a greater demand for it in this country; I am not aware of the particular circumstances attending it.

The witness is directed to withdraw.

WALTER STEVENSON DAVIDSON, Esq. is called in, and examined as follows:

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6282. In what situation were you in Canton?—I was in the situation of a private merchant and general agent.

6283. Were you in the service of the East-India Company? —No; quite unconnected with the Company.

6284. How long were you there?—Eleven or twelve years.

6285. When did you go there?—I visited China first in the year 1807, and settled there in 1811.

6286. How long did you remain there?—Till 1822.

6287. Whence did you go to China?—From England, by the way of India.

6288. Did you go with a license from the East-India Company?—None whatever. I resided as a Portuguese subject, having obtained from the King of Portugal naturalization, and all the privileges and immunities of a Portuguese subject, while residing at Macao.

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6289. Did you go out in a Portuguese ship?—No; I went out in an English ship.

6290. Having first made yourself a Portuguese?—I could not make myself a Portuguese subject in England, but merely possessed that privilege in China. I indemnified the captain of the English ship on which I embarked against the penalty to the East-India Company, provided he should be obliged to pay it.

6291. It was on your arrival at Macao you obtained naturalization?—No; I obtained the credentials of naturalization in London, before going out.

6292. Is that a thing to be purchased?—No; it did not cost me one shilling; it was obtained for me by the English ambassador then at the court of Brazils.

6293. Did you act as merchant for yourself, or as agent for others?—In both capacities.

6294. Did you act extensively as an agent?—Very extensively.

6295. In the conduct of your business, did you derive advantages from the existence of the East-India Company, as a great trading company at Canton?—Certainly; I should have been exceedingly sorry to settle in Canton but for the power of the Company, in some measure at least, to protect British commerce, and, consequently, that commerce which I conducted.

6296. State the particular manner in which you conceive you derived this advantage from the East-India Company's influence in China?—I derived advantages, in common with all other foreigners, I may say, from the circumstance of a powerful body like the East-India Company possessing important influence, in consequence of their great character and extensive trade.

6297. In what manner was that influence exerted so as to benefit you?—It was never actively exerted so as to benefit me, and it would have been quite in vain for me to have asked them to do so; but it was exerted, I conceive, in favour of all British trade, and as almost all the trade I managed was British, although I could only reside in the capacity of a foreigner, I derived advantages in common with all others who managed commerce of the same description.

6298. What was the particular nature of the advantages you derived, and in what manner did you derive them?—I am at a loss to detail in what manner I derived them, although highly sensible of their existence.

6299. Do you consider that the influence of the Company was in any way a counterpoise to the influence of the Hong?—Most decidedly so; a most invaluable one; indeed I consider that had it not been for the existence of the Company in China, the British trade could not have been carried on.

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6300. State your reasons for entertaining that opinion?—Because the exactions, the oppression, and injustice of the Chinese government are so great, that I conceive no individual would be foolhardy enough to hazard sending his property on shore in that country, but from the knowledge that a body like the East-India Company is there to countenance it.

6301. Will you state any specific exaction which the Chinese government attempted to carry into effect, and which the Company successfully resisted?—In the year 1814 the Chinese government attempted to make the Hong monopoly more close than it had ever been before; and had not the East-India Company's authorities resisted upon that occasion, it is impossible to say the lengths to which the Chinese would have gone in taxing both the imports and exports at their own capricious pleasure, and, consequently, in diminishing the profits and increasing the hazard of enterprising individuals.

6302. Do you consider that a diminution of the number of Hong merchants acts as a tax on imports and exports?—It enhances the power of the remaining merchants so much that it is most likely to produce that effect; indeed, I might say, the certain result.

6303. Are not the Hong merchants, in fact, agents for the sale of the tea furnished by the tea merchants in the interior?—Avowedly they are the principals; but they may be, and no doubt are, on many occasions, merely the agents of a tea transaction.

6304. Is it consistent with your own knowledge, whether they are actually to any great extent dealers in tea as their own property, or agents for the sale of teas belonging to others?—I should think in a great many instances merely agents, because in my time the Hong was principally composed of men in bankrupt circumstances, who possessed in reality no property whatever.

6305. In as far as the Hong merchants acted as agents for the sale of the property of others, must it not have been their interest to extend the trade?—Certainly.

6306. Would not any exactions imposed by them have had the effect of diminishing instead of extending the trade?—Certainly; and that is one of the absurdities which is practised every day in China, as well as in this country, and in all countries indeed.

6307. Have any exactions, within your knowledge, been recently enforced by the Chinese government?—It is now between eight and nine years since I quitted the spot; and of course, from that period, I have only information by the report of others.

6308. Have the goodness to speak to any fact within your own immediate knowledge during the time you were in China?—If I am to speak to grievances, there are many; they attempted

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to take away our servants; at one time they resisted the valuable right of communicating in the Chinese language, which the East-India Company gained, after a great battle; they attempted, I think, to prevent the passage of letters and persons from Macao to Canton; they exacted fees on trifling articles of baggage at Canton, and so forth.

6309. What was the amount of those fees?—Trifling.

6310. Did they, during all the time you were in China, attempt to impose any new duty on the import or export of any article of merchandize?—During my whole experience in China, which was very extensive, I never had occasion to know any thing whatever respecting the details of duty, either on the inward cargo or the outward.

6311. Being an agent at Canton, how did you manage to avoid the obtaining that knowledge?—The Chinese merchant manages all that, and the European need not necessarily know any thing of it. The prices given for the commodity are such as enable the Chinese merchant to pay the duties on the inward cargo; and the prices demanded, or charged, on the outward cargo, also embrace the duty, for which the Chinese lander and shipper is alone responsible.

6312. Were not you called upon to pay duties on the ship? —Always.

6313. Were those increased?—No, I think not; at least I do not recollect any increase of that nature.

6314. Were not those alterations which the Chinese appear to have been desirous of introducing rather of a vexatious than of an onerous character?—Decidedly; but the knowledge which the parties who reside in China acquire of the Chinese government quickly teaches them, that if they do not resist encroachments in the commencement, resistance soon proves to be too late, and they would become intolerable.

6315. In what manner did the Factory of the Company proceed to resist those innovations?—In the year 1814 the chief of the Factory stopped all British trade.

6316. That was on the attempt to diminish the number of servants, was it not?—Yes; that may have formed part of our many grievances.

6317. In what manner did they resist those innovations you have referred to?—The only stoppages of consequence that I witnessed were those of 1814, and one in 1821, which took place upon the occasion of loss of lives, in the affair of the Topaze frigate.

6318. Were those innovations, as to the conveyance of letters, and with regard to servants, and so on, resisted successfully, or submitted to?—They were resisted firmly, vigorously,

and successfully, by Mr. Elphinstone, the then chief, and the Committee, and as I conceive, most judiciously so. 24 June 1830.

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6319. In what manner were they resisted?—By a stoppage of the trade till the Chinese gave way.

6320. As regarded the servants, or the landing of luggage, and the letters and so on, was there a stoppage of the trade for those innovations?—I understood the question to allude to the principal grievance, which was in regard to the co-Hong; but when the trade is stopped for a great grievance, the opportunity to tack on others that may exist is too good to let pass unprofited by.

6321. Were all those grievances before 1814?—They had existed before in some measure, perhaps, but it was then they became intolerable, and called forth firm resistance.

6322. Where no other grievances existed than those little ones, is any attempt made to resist them, or are they submitted to?—The East-India Company's servants in China are of course very sorry to stop the trade, because the experiment costs them dear, in the demurrage of vessels and other contingent expenses.

6323. Can you state what proportion of the trade of the Americans or the country trade is conducted through agency, and what proportion is conducted through supercargoes?—Indeed I cannot. I have but a vague idea of the matter, and it is, of course, a proportion constantly fluctuating.

6324. Do the Company usually deal through the medium of bankrupt merchants of the Hong, or the solvent?—All the merchants comprising the Hong have a share or shares of the business; the Company consequently deal with each of them according to the extent of the share or shares they hold respectively.

6325. In your opinion, was any advantage derived by you from the circumstance of trading through bankrupts?—Very great indeed in my time; I often selected bankrupts to deal with, because I very seldom could deal with the merchants on fair terms. Some of them were satisfied with the certain profits on the Company's business, and did not covet other business very much.

6326. State the advantage, in your opinion, from dealing with a bankrupt?—They gave much better prices; and too often, I suspect, they gave higher prices than they could afford to do in the actual state of the markets.

6327. In what manner did you conduct your business when you conducted it through an insolvent?—Precisely as I should have done had I dealt with a solvent merchant; they held the same rank, and conducted their business in the same manner.

6328. Did you contract with them for what you wanted?—Frequently.

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6329. Did you trust the money in their hands, they being insolvent?—Constantly, and in very large sums.

6330. Were the other Hong merchants answerable for them?—I do not call to mind an instance in which I ever made a rich Hong merchant responsible for a poor one; but I believe it has been done.

6331. Then, in fact, no person was responsible for those bankrupts with whom you dealt?—No person whatever; but I knew that they had shares in the Company's business, and I felt assured they would be able to pay me, which they were; I do not think my constituents often lost in consequence of that system.

6332. On what circumstance was that assurance of yours grounded, if those bankrupts had no money?—I think I stated, because I had confidence in their connexion with the East-India Company's business, which was a very profitable one to those merchants.

6333. Did you trust to those persons to make contracts with the teamen, or did you make your own contracts with the teamen, using the names of the bankrupts to cover the transaction?—I do not think I ever made a contract direct with a teaman, or often with an outside merchant, though many of them were respectable; I almost systematically dealt with the Hong merchants.

6334. Do you know to what circumstance it was to be attributed that you obtained your teas at a lower price from the insolvent than the solvent merchants?—The insolvent merchants, having no stake, and being exceedingly anxious to deal, were not of course so scrupulous about obtaining profits on what they did as solvent merchants would have been; I attribute it to that cause; besides which, when an insolvent man is in the habit of dealing largely, he wishes to continue to go on, or his insolvency will become apparent; for instance, it was only by obtaining possession of a cargo to-day, he was enabled to pay for one he bought last week or last month; it is like accommodation bills in this country; a man depending upon a number of such out, must put others forth when the current ones became due, if he has no real resources to fall back upon.

6335. Do the American merchants conduct their business usually with the insolvents?—A great deal in my time.

6336. Did you understand that they considered it more profitable to do so?—I have no doubt they discovered it to be more profitable to be so.

6337. Can you state why the Company did not deal much more with the insolvent merchants, if it was more profitable to do so?—That of course would have involved a still greater credit than they gave them; and the servants of the Company, knowing their actual state, would of course not be disposed to do so.

6338. If the servants of the Company were not disposed to

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do so, why should it be so?—The reason that I and others did this, with security ultimately, in so many cases was, because the insolvent part of the Hong derived great advantages from their sharing the East-India Company's trade. If the East-India Company had found it convenient or safe to deal equally with them as with the others, very likely they would not have become insolvent, but might have acquired wealth.

6339. If their dealings with the East-India Company were not so advantageous as to make them rich, what advantage did they obtain in their transactions with you?—The East-India Company's dealing might not be such as to make them solvent; but if the East-India Company had not dealt with them at all, neither I nor any person would have done so; and it was only on the ground of their having a share, though a small one, of that trade, that we had confidence to deal with them; it was a bad system, and I have understood it has been declining by degrees since I quitted the country.

6340. Do you mean as to dealing with insolvents?—As to having in the Hong men notoriously insolvent.

6341. If it was so advantageous to you, how has it been discovered since to be so bad and ruinous a system?—Because by degrees the insolvent Hong merchants, notwithstanding the countenance of private dealers like myself, would, in course of time, become insolvent, and when they did so, were frequently indebted to the East-India Company; consequently that proved what may be termed a ruinous system to them, although individual traders may have escaped; and I stated originally that I seldom lost, or any of my constituents, being as vigilant as possible, as may be naturally supposed we would be.

6342. Did the East-India Company make advances to them? —In the earlier period of my residence in China, largely; in the middle, more cautiously; and latterly they became still more contracted.

6343. Then your engagements with individual merchants have been performed by the advances of the East-India Company? —That is the direct inference, and it has happened so.

6344. So that though it was very advantageous to individual merchants to deal with those insolvent merchants, that advantage was obtained to them through the losses of the East-India Company?—I do not mean to go so far as that; the Company were losers, of course, in proportion as the insolvents were indebted to them at the moment they ceased to do Hong business.

6345. State any other advantages which, in your opinion, were derived from the existence of the East-India Company as a great trading Company at Canton, otherwise than those you have mentioned—their being a counterpoise to the Hong, and their supporting those bankrupts?—I think I have already stated

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that, in the past and present state of non-intercourse between the government of this country and that of China, it would be truly hazardous and rash for any British merchant to settle there, and trust his property in the hands of such an unjust and and extortionate government, without any protecting power to look up to; and therefore so long as the present state of things exists in China, I conceive the East-India Company is a most valuable protection to all British interests; their fleet visiting China every season, consisting of about twenty ships efficiently equipped, and the influence of their resident servants, both from the excellent character they have generally borne and the large extent of property always under their charge, having enabled the British Factory to bestow great benefits on individual British traders, as well as on other foreign traders, in my opinion.

The witness is directed to withdraw.

Ordered, that this Committee be adjourned till to-morrow, one o'clock.

Die Veneris, 25° *Junii* 1830.

The Lord President in the Chair.

WALTER STEVENSON DAVIDSON, Esq. is called in, and further examined as follows:

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6346. Do you think the existence of the East-India Company as a trading Company at Canton affords any facility to remittances to India or to Europe?—In my time it did in the greatest degree; I should have been otherwise often at a loss; I was in the habit of resorting to their treasury every season; and when it happened that they declined to draw either on India or on England, my constituents and myself were deeply disappointed.

6347. Does not that difficulty of making remittances on the part of merchants trading to the port of Canton result from the circumstance of their not being permitted to make remittances in tea to this country?—Certainly, in a great degree; having no investment to provide for Europe, we could only resort to the East-India Company for a remittance in bills.

6348. Then the difficulty is created by the monopoly of the East-India Company in the article of tea, and is removed only at their pleasure?—Precisely so, as far as regards remittances to Europe.

6349. Do you think the position of merchants residing at Canton would be better or worse, if the trade were open, in

that matter of remittances?—Much better, if the trade were open and conducted on sound principles. 25 June 1830.

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6350. What engagements did the owners of country ships enter into with the governments of India?—I will speak of Bengal, with which I am far best acquainted. Before sailing from Bengal, the owners of all country ships are obliged to give to the government a bond, in which bond they bind themselves under certain penalties to conform to the orders and restrictions of the East-India Company's representatives in China; and on their arrival in China, the first thing which is done is to receive the instructions of the Committee of Supercargoes with regard to their conduct while in the port.

6351. Do you happen to have a copy of that bond?—It is in my possession, but my papers are not within my reach at this moment. The trade between India and China (that is, the country trade) is a trade of a nature which does not seem to be generally understood in this country, and is merely a trade of sufferance.

6352. Is not all trade a trade of sufferance on the part of the government, which might prevent it if it pleased?—The Legislature of this country has given to the British merchants in India that trade as a trade of sufferance, to be permitted to enjoy it under the regulations of the East-India Company.

6353. The Legislature has given to the East-India Company the power of preventing it?—Yes, I believe so.

6354. Are there any restrictions placed on the exports of British manufactures from India to China—woollens and cottons?—In my time there were; but they have been partially removed of late years, I have been told.

6355. You cannot state the date of the removal of that restriction?—I think I may say within the last ten or twelve years.

6356. Was that restriction removed on any representation made by any merchants resident in India?—I cannot speak from knowledge; but I have very little doubt it was removed at the time the East-India Company ceased to find it much their interest to enforce it.

6357. Do you happen to know whether advantage has been taken of the removal of that restriction from the import of British manufactures into China from India?—I have heard it stated to be so; I have understood that it has been done profitably.

6358. What particular species of manufactures?—I really cannot enumerate them.

6359. They have not been to any great extent?—No, I think not; principally by the officers of ships. I should think not to

25 June 1830. an extent sufficient much to attract the attention of the great houses in India.

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6360. What were the chief articles consigned to you for sale in China by your constituents?—The chief articles were cotton and opium; they formed, I think, upwards of nine-tenths of my consignments.

6361. What were your returns?—Besides the supercargoes' bills on the Indian government, when they drew, I remitted very largely in Sycee silver, the production of China, in tutenag, and many other articles.

6362. Any in dollars?—Sometimes in dollars. We were occasionally compelled to remit in dollars, owing to the difficulty of smuggling the Sycee silver; but never resorted to that mode, I think, when we could obtain the Sycee silver.

6363. The dollar in China is very much beaten and broken, is it not?—Constantly cut and clipped in all directions; it almost ceases to be a dollar when it has circulated in China; there it is weighed as silver; all payments are made by weight.

6364. Is the dollar, in consequence of this beating and breaking, diminished in intrinsic value in China?—The moment the dollar is clipped it cannot be said to diminish in value, because it will be taken afterwards just for its weight in silver, although it be punched and clipped through and through.

6365. When we hear of the exchange at so much a dollar, does that mean the dollar clipped and broken, as it is in China, and so reduced below the value of the good Spanish dollar, or is it in exchange with the quantity of silver which there ought to be in a good dollar?—Yes, precisely so. What is understood in China by a dollar is a piece of silver which contains seven mace two candareens, or seventy-two hundredth parts of one tale, containing a hundred candareens.

6366. Is that the intrinsic value of the dollar as it leaves the Spanish mint?—It has no comparative connection but with other silver; it is paid in China as the weight in silver; and all coins, whether Spanish, or Portuguese, or German, they are shroffed, as it is called, and ascertained to be silver, and are then put together, and the whole mass weighed.

6367. So that the dollar is received by weight, and not by tale?—It is sometimes received by tale; and I will explain this, as it shews the extreme ignorance of the Chinese in matters of that nature. I have had Spanish dollars bearing the head of Charles, the former king of Spain, and I have sold those dollars, and received dollars bearing the head of Ferdinand his successor, coins precisely of the same nature, and I have received from two to five per cent. premium upon the Charles's. When I say the same description of coin, I mean they would be the same in London. The Ferdinands may have been a fraction deteriorated,

as they were coined about the time of the revolution: the Chinese found out their mistake, and ceased to carry on that operation. The Chinese are a people much attached to old customs; and as the people in the interior had been long accustomed to the Charles's, they had an objection to any other, the Spanish dollar being sometimes found very desirable in the Chinese provinces, owing to their want of a current coin.

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6368. The shroffs in Canton, and in every part of China, are very attentive to the quantity of silver contained in coins, are they not?—Yes; and very expert in their business. I do not remember ever losing one dollar from my shroffs.

6369. Forgery of money is very rare, is it not?—Very rare; there can hardly be forgery in a country where no paper money exists; where all the gold and silver coin is shroffed, and the money taken by weight.

6370. Except in the importation of cotton, which is likewise imported by the Company, the country trade in no respect competes with the trade of the Company at Canton, does it?—In no respect but in cotton and opium.

6371. Is not the prosperity of that country trade essential to the realization of the funds in Canton required for the homeward investment?—It was, constantly in my time; but it was reciprocal; I was equally anxious to receive their bills as they were to receive my dollars.

6372. So that the Company are interested in the maintenance and extension of the country trade?—Yes. In former days I have bought largely of the pure Sycee silver of China, which we considered to contain ninety-eight parts of silver out of the hundred, and I have paid for it in Spanish dollars, such as I alluded to before, which only contained ninety-two parts of silver in a hundred; consequently the Chinese, for the facility of having that coin to send into the interior, paid six per cent. premium.

6373. Is the Sycee silver to be obtained in any great quantities?—As large quantities as we generally required; but the difficulty was the shipping it; there were periods when it could not be smuggled on board. It is in lumps containing ten tales; not a mis-shaped mass, but cast in a mould, and a very compact mass.

6374. From whence does it come?—From the interior, higher up the country; it is a dump rather than a bar; it comes from their native mines.

6375. What, in your opinion, would be the effect of open trade on the price of teas?—The first effect would naturally be to raise the price, because a number of eager speculators would rush into the market; but there is no reason to suppose that that state of things could continue; ultimately the tea growers

25 June 1830. and the tea merchants would of course be satisfied with remunerating prices.

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6376. Do you think there would be any difficulty on the part of the Chinese in furnishing a much larger supply, to the extent of many millions of pounds of tea?—I have always understood not; to any extent that this country could require.

6377. Do you apprehend that the Americans obtain their teas at as low a price as the Company?—I can entertain no doubt of it, now-a-days.

6378. Do you think they obtain teas of as good quality?—In my time I considered decidedly not, nor did they generally seek to do so, as I always understood.

6379. Are teas as good as the best obtained by the Company to be found in the open market at Canton?—Certain parcels may be so, I believe, but certainly not in large quantities so good as the Company's prime contract teas in my time.

6380. Is the difference great in the price of the new and the old tea at Canton?—It is very variable; it will depend on many circumstances. If many new teas come down, and there is but a small demand for them, it will tend to keep down the price of the new teas as compared with that of the old; but if when the new teas come down there are many foreign ships come in, and there is a great demand, the new teas, which will be preferred, will surpass in price the old teas greatly.

6381. The new teas are better than the old?—Yes, I should say decidedly so.

6382. Can you at all estimate the deterioration which takes place in green tea in the course of twelve months?—It will in a great measure depend on how it is packed, or whether it is exposed to air or moisture, I apprehend.

6383. Does exposure injure it?—It loses its bloom; it is much injured by being badly kept. The Chinese have a method, which is constantly practised, of making their old teas look new, by submitting them to an operation which is termed firing, and putting a fresh bloom upon them.

6384. How do they do that?—It is generally understood that while they are exposing them over heat, a substance, some say containing a minute portion of Prussian blue or other such deleterious substance, is sprinkled; but I believe that the substance is not so deleterious as has been thought.

6385. But the thing is done?—Yes, I have understood it is done constantly. Teas are freshened, and those who do not understand them are sometimes thus imposed upon.

6386. They are taken in by the sight, not by the taste?—A judge would discriminate.

6387. Does that apply to both sorts?—I think to greens, in particular. 25 June 1830.

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6388. Do you consider that the population of China generally is very much interested in the continuance of the trade with this country?—I cannot speak to it generally; but as to the province of Canton in particular, which is a large, populous, and thriving province, I should say it is most materially interested; and, consequently, I should think that the peace of China is in some degree dependent on the continuance of the trade with foreign countries.

6389. It is likewise the interest of government to maintain a trade, is it not; the government deriving large duties from it? —Decidedly their real interest.

6390. Is it not likewise the interest of the Hong merchants? —Beyond all doubt.

6391. Under those circumstances, a very strong interest existing on the part of government, of the merchants, and the people of China, and smuggling existing to so great an extent, do you apprehend any circumstances are likely to arise which could put a stop to that trade?—Yes, I do; and I expect it to happen every year.

6392. Will you state what that is?—I believe there is a line, although I cannot pretend to be able to define it, beyond which the Chinese government will not go in adjusting serious differences, and particularly in regard to homicide cases, with any representative of this country who has ever yet resided in China.

6393. Do you mean that the Chinese government would sacrifice the whole trade rather than not succeed in inflicting on foreigners trading there some particular exactions they might desire to enforce?—I mean that they will one day or other so egregiously commit themselves, that their pride, their arrogant self-conceit, and ignorance will prevent the adjustment of the existing dispute until a negociation is opened direct between the English government and theirs.

6394. Do you mean that this complete prohibition of trade with foreigners by the Chinese government will take place whether the trade is thrown open or not?—Yes, unavoidably, I think, sooner or later, under the present unwise and undignified system.

6395. Do you imagine it will occur earlier under an open trade, or the present system?—Earlier under an open trade, unquestionably.

6396. You mentioned that you did not think the Americans were desirous of purchasing the superior qualities of tea; what induces them, in your opinion, to prefer an inferior sort of tea? —They often come in quest of teas for different markets, and they will naturally search for such a description of tea they can sell

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at such a price as the parties for whom it is meant are in the habit of giving, or may be disposed to give, either on the continent of Europe or in America.

6397. You conceive it was not because they could not procure a superior quality of tea, but that they find the inferior more marketable and more beneficial to them?—There cannot be supposed to exist any difficulty in the Americans obtaining the best article which was to be found in the markets of China. The Chinese will deal with any one who brings money or credit.

6398. Do you think that if the East-India Company was to be deprived of its monopoly in the China market, it would lead to the extinction of the Hong monopoly?—That would not follow, but must depend entirely on the Chinese government. If the Hong monopoly be continued with an open trade to this country, it will always be getting worse, and more vexatious. Indeed I see no salvation for an open trade, in the absence of the power and political influence of the East-India Company, without a previous understanding between the two governments.

6399. When you said there was a certain line which the Chinese government was in the habit of adhering to, did you mean to say that they pursued a certain system of government which has never changed within the memory of man, and that you thought was not likely to be changed?—Precisely so; and the line to which I alluded is of course a line that I cannot pretend to define; I do not know where that point is, but I believe that one of these days we shall pass it, and then this country will be compelled to do what it has never yet done, negociate direct and vigorously, and not through the medium of complimentary embassies; we might send fifty merely complimentary embassies, and they would do no good, but rather mischief, in my opinion.

6400. What is the embassy you would recommend?—Such an one as this great country is wont to send to all other countries excepting China; a manly proposition of amicable, reasonable, and mutually advantageous intercourse.

6401. If they refused to receive the ambassador, what would you propose to be done?—Give up drinking tea, or else enforce the reception of so just an intercourse.

6402. Do you know any thing of any contraband trade being carried on in British ships to other parts?—Country ships have gone on the coast, particularly with opium, but they have seldom met with success.

6403. They have gone to Amoy and parts north of Canton?—Yes, they have; but it is seldom resorted to now, I believe; the opium trade is now so comfortably circumstanced, they do not require any improvement.

6404. Supposing the trade immediately with China to be sus-

pended, do not you think that this country might be supplied with the quantity of tea wanted through Sincapore and other ports?—The thing is possible, but I should think fraught with difficulty.

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6405. Do not the Chinese carry on a large trade with the Eastern Islands?—Yes; in junks, they carry on a large trade.

6406. Those junks convey tea?—Yes; but whether the Chinese government would consent to see England supplied with tea in that manner I cannot say, and certainly they would tax it most severely if they did.

6407. Did those persons for whom you were agent while in China send any quantity of British manufactures into China?—No, not in my time, any great quantity.

6408. Are you of opinion that if the monopoly was at an end, there would be an increased demand for British manufactures into that country?—Unquestionably an increased demand would grow up; enterprising manufacturers in this country would send manufactures, and lose a great deal of money, probably, in the first instance; but that would create a taste, and I have no doubt that vast quantities of British manufactures would be sent ultimately.

6409. What sort of manufactures do you think most likely to be sent?—I should think that the articles now sent would be sent on a larger scale; cloths, metals, cotton goods, and sundries.

6410. Has the quantity that has been imported into that country by the Americans given the Chinese an increased taste for those manufactures?—I really hope so.

6411. Are you aware whether that is so or not?—It is some years since I quitted China; I cannot doubt that it has done so, however, and I have heard often that such is the fact.

6412. Have you made any calculations as to the profit or loss of the trade carried on by the East-India Company with China?—No, I have made no calculations in particular, but I have inspected for many years the accounts of the East-India Company in the most authentic shape.

6413. Have you collected from them the extent of profit which the East-India Company derive from that trade?—On that point I beg to state that I resided some years in China in conducting a large business; I have visited all the East-India Company's presidencies in India; and I can with truth, as I do with pleasure, bear the strongest testimony to the liberal manner in which their government is conducted, which seemed in my time to be universally considered. As a sovereign power, they are all that can be desired for those countries; but in their capacity of merchants, from the most attentive perusal that I can give their accounts, I am sorry to say that I think it has

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been a complete failure, and that they have reaped from their trade, as a whole, nothing but losses to their own corporation and to this country at large. During my whole residence in China I can with truth say, that I cannot call to mind an instance in which the Company's representatives there have proved recreant in their sacred duties towards British trade in general ; not even inattentive, far less inimical to its interests.

6414. With regard to the profit and loss from the manner in which they conduct their trade, do you conceive that they do that in a manner equally advantageous to themselves that private individuals would conduct the same trade?—I am sorry to say I do not think so ; nor do I think that any public body, constituted as the East-India Company is, can possibly compete with the quiet enterprize and economical management of the intelligent and industrious individual merchants of this country ; and this is nothing but the unavoidable result of such a combination of circumstances.

6415. Have you formed an opinion as to the necessity for such an extent of an establishment for the conduct of their commercial affairs as is kept up by the Company in China?—The expense of the Company's establishment in China is not great; I believe it to be not much more than what the commission would be payable to myself or other private agents in the conduct of so extensive a business.

6416. You think the Company do not pay more for the conduct of their commercial business in China than private individuals would do?—Very little, I think.

6417. Then what is the difference between their management and that of private individuals?—The expense of all their numerous establishments in all parts of the East. In one of about twenty-five persons, as in Canton, it does not much signify how expensively those few persons may be fed or housed ; but the East-India Company have such huge establishments throughout India as must have eaten up all their commercial profits, and they have done so, I fear greatly, besides a good deal of the territorial revenue.

6418. Supposing the whole of their commerce abandoned, except that to China, do you think that trade is as economically managed as a trade of that magnitude in the hands of individuals would be?—I am of opinion that there would not be found to exist a great deal of difference.

6419. Does your answer apply to the establishment at Canton only, or their manner of building ships?—I speak of their establishment at Canton only.

6420. Do you take into your consideration the large ships, the freight they pay, and the sort of goods they export to

China?—By no means. I only speak of the sale in China of their imports, and the expense attendant on the providing and loading of the homeward-bound cargoes, and the maintenance of their servants on the spot. 25 June 1830. W. S. Davidson, Esq.

6421. And the purchase of their teas?—Yes; the purchase of teas is included.

6422. You conceive that individuals carrying on such a trade would have advantages over a Company in the circumstance of freight, and the other objects alluded to?—Very great.

6423. Do you see any necessity for the very expensive ships the East-India Company equip for the purpose of conducting their trade?—By no means.

6424. Do you see any advantage resulting from the employment of large ships in preference to small ones?—Not now-a-days; there was a time when it might be of importance to this country; but not in the present improved state of the world.

6425. Is there any advantage, in respect of the duties charged by the Chinese, between large and small ships?—Yes, there has been found to be an advantage *pro tanto*, but that is not sufficient to counterbalance the many disadvantages.

6426. You have stated that if the trade to China were thrown open, British manufactures might be forced into that country; how can that take place to any extent in the face of exactions which you say would be the necessary consequence of the removal of the influence of the East-India Company as a chartered body?—I meant to say that that would take place at first on the opening of the trade, in consequence of the reckless disposition of the manufacturers and merchants of this country, when any new market is opened, in sending their goods, without just regard to whether they shall obtain profitable returns or otherwise; but I cannot take upon myself to say when it might stop, in consequence of the exactions of the Chinese, or of losses on the part of the English speculators.

6427. In your opinion, it would not be a permanent increase of trade?—Certainly not, if the trade were to be opened without previous negociation. The Chinese would commence with small exactions, and they would go on encroaching every year till they had destroyed the trade altogether, and this would necessarily produce the ruin of thousands in this country, I am confident.

The witness is directed to withdraw.

Mr. THOMAS MILLS is called in, and examined as follows:

6428. You are a tea-dealer?—I am. Mr. T. Mills.

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6429. You are a wholesale dealer?—I am.

6430. How long have you been engaged in the trade?—Sixteen years.

6431. Have you regularly attended the sales of the East-India Company during that time?—I have.

6432. Did you attend the last sale?—I did.

6433. Did the teas of the Company sell at the last sale generally at prices beyond those of the previous sales?—They did.

6434. Will you state generally the sort of teas upon which the advance has taken place beyond the preceding sale?—The boheas sold at an advance of about six per cent., the low congous five per cent., twankays four per cent., and hysons ten per cent.

6435. Will you state what you consider to be the causes of that advance?—The causes are generally considered to be the reports in circulation respecting the difference existing between the Company's Factory at Canton and the Chinese authorities; also the known inadequacy of the Company's stock of some particular kinds of teas, and the uncertainty of further arrivals.

6436. Will you explain what you mean by the inadequacy of the Company's stock—in what respect you consider it inadequate?—In boheas they have a quantity equal only to about two sales, in hysons they have not two sales, and in souchongs and pekoes they have none.

6437. Did the advance take place more particularly on those teas in which you suppose them to have an inadequate supply?—Yes; to the greatest extent on the boheas and the hysons, of which they have not the same stock as of other teas.

6438. Is not the Company considered to be obliged, under the Act of Parliament, to keep a stock equal to one year's consumption?—I believe it is considered to be the requirement of the charter that they should have a stock equal to the average of four quarters' consumption.

6439. You do not consider, however, that, in all descriptions of teas that are consumed in England, they have a stock equal to the average of four quarters?—Of those four sorts they obviously have not; of souchongs there were none in the last sale, and of another description of tea, the pekoe, they have sold none since June 1828.

6440. By what classes of persons are those teas to which you have alluded consumed?—The boheas are consumed by the lower classes—the manufacturing classes; the souchongs, the pekoes, and hysons, by the higher classes.

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6441. You consider the supply to be more deficient in that description of tea which is most extensively consumed by the middling and lower classes?—Yes.

6442. Will you state generally what are the varieties of teas which are in regular demand in England?—Of black teas there are boheas, congous, campois, souchongs, pekoes, padrae, caper, tetsong, and ancoy; and of green teas, twankays, hyson skins, hyson, young hyson, and gunpowder.

6443. Do the Company supply the demand in all those descriptions of teas?—The greatest variety is supplied by the private-trade; the Company supply only a small quantity in varieties, though they supply the greatest quantity in bulk.

6444. By the private trade you mean refer to the trade of the officers of the Company?—Yes.

6445. Can you state whether the varieties of tea you have described, and for which a demand exists here beyond the supply of the Company, is to be obtained in other parts of Europe?—I cannot speak to that question generally; I have been abroad twice, and certainly the pekoe tea there is much finer than that imported here.

6446. To what particular part of the continent do you refer when you say you have found it finer?—To Holland and Germany.

6447. Is the sale price of tea generally in advance upon the upset price at the Company's sales?—In almost all cases; occasionally teas have not fetched the upset price; then they have been withdrawn at that sale, and put up at the succeeding sale without an upset price; but in most cases the selling price is a very considerable advance on the upset price.

6448. Is there a great proportionable difference sometimes between the sale price and the upset price in different sorts of tea?—Very considerable; congou tea put at 1*s*. 8*d*. often fetches 2*s*. 5*d*., and other congou tea put up at 2*s*. 1*d*. has fetched 3*s*. 7*d*.

6449. If the upset price is the cost price, how do you explain that great relative difference between the cost and sale price in different kinds of tea?—I should attribute it to the inadequacy of supply; the selling price would be nearer the upset price, if the supply was adequate to the demand.

6450. Do you conceive that the extent of demand for each description of tea can be pretty well presumed from the experience of the Company's sales, so as to enable their agents to provide for it in proportion to the demand?—The Company could declare a greater quantity for sale if they chose; the quantity declared for sale is perfectly optional with them; it is

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announced about six weeks previous to the sale, and entirely depends upon their own will and pleasure.

6451. Can they have any interest in not meeting the demand in the same proportion for each description of tea which exists, supposing they have been properly provided with stock in China? —It is impossible for me to know the reasons which induce the Company to regulate the supply of tea.

6452. You conceive, however, that they have reasons, independent of the state of their stock as supplied from Canton, for increasing or diminishing the quantity they expose to sale?—Yes.

6453. Do the inspectors of the Company fix any particular mark to the tea?—Yes; the Company not only fix the putting-up price of their teas, but they also fix the quality of their teas, and they sell them by characters. These are the printed characters of the Company by which they declare the quality of their own goods.

[*Statement handed in.*]

6454. Do not they sell by sample?—Yes; but they attach a character to the tea, declaring their opinion of its quality.

6455. You, having taken a sample, form your own opinion of the quality of the tea?—Yes.

6456. Is not a break of tea one of the terms used in the trade? —Yes.

6457. Explain what that term means?—A break of tea consists of a certain number of chests of the same character and quality, varying in quantity from two hundred to a thousand chests.

6458. Do the characters so affixed to each break of tea correspond with the upset price?—No, certainly not; the characters are frequently lower for the 2*s.* 1*d.* than for the 1*s.* 8*d.* teas.

[*The list of the characters delivered in by the witness is read, and is as follows:*]

TEA declared for Sale on Tuesday the 1st June 1830: Prompt the 27th August 1830.

Bohea	1,400,000
Congou, campoi, and souchong	5,100,000
Twankay and hyson-skin	1,150,000
Hyson	250,000
Including private trade	7,900,000

EAST-INDIA COMPANY'S CHARACTERS OF BLACK TEAS.

Break.	Folio.	Tare.	Chests.	BOHEA, at 1s. 5d. per lb.
		lbs.		Quarter chests.
1	579	21	210	Middling good bohea, congou kind of leaf.
2	581	20	210	Ditto .... ditto.
3	582	21	210	Ditto .... ditto.
4	583	22	248	Ditto ...... on the congou kind of leaf.
5	584	21	210	Ditto ...... congou kind of leaf.
				Half chests.
6	586	28-29	96	Preferable to ordinary congou.
7	587	28-29	85	Ditto ...... ditto as 7 Br. M.S. 1830.
8	588	29-30	910	Ordinary congou, or preferable.
9	596	28-29	200	Preferable to ordinary congou.
10	598	28-29	902	Ditto ...... ditto.
				Large chests.
11	607	47-48	679	Middling good bohea, congou kind of leaf.
12	613	47-48	373	Ditto .... ditto.
13	617	48-49	258	Ditto .... ditto.
14	619	47-48	680	Ditto ...... on the congou kind of leaf.
15	626	46-47	260	Ditto ...... congou kind.
16	629	47-49	260	Ditto ...... congou kind of leaf.
17	631	48-49	680	Ditto ...... on the congou kind of leaf.
18	638	47-48	260	Ditto ...... congou kind of leaf.
19	640	49-49	199	Ditto .... ditto.
20	642	48-49	680	Good middling bohea ...... ditto.
21	649	47-48	270	Ditto .... ditto, as 15 Br. M.S. 1830.
				In quarter congou chests.
22	651	24	606	Good ordinary tea, even palish mixt leaf, rather burnt.
23	655	24	157	Ditto .... ditto .... little burnt, as 22 Br. M.S. 1830.
24	656	24	1200	Preferable to ordinary congou.
25	662	24	619	Ditto .... ditto.
26	665	24	304	Ditto .... ditto.
27	667	24	329	Ditto .... ditto, as 19 Br. M.S. 1830.
				CONGOU, at 1s. 8d. per lb.
1	673	23	559	But middling congou, mixt leaf, little new.
2	676	25	613	Ditto ...... mixt leaf kind.
3	679	24	653	Ditto ...... rather coarse little new.
4	683	24	384	Ditto .... ditto .... ditto, as 1 Br. M.S. 1830.
5	685	23	560	Ditto ...... mixt leaf kind, little new.
6	688	23	506	Ditto ...... rather coarse and rather new.
7	690	24	605	Ditto ...... rather coarse, little new.
8	694	23-24	416	Ditto ...... rather coarse, new.
9	696	24	598	Ditto ...... rather coarse and rather new.
10	699	24	590	Ditto .... ditto .... ditto.
11	703	24	523	Ditto ...... coarse and rather old.
12	706	23	400	Ditto .... rather new.
13	708	24	605	Ditto ...... rather coarse, little new.
14	712	23-24	612	Ditto ...... rather coarse, a little strong.
15	714	24	659	Ditto ...... rather coarse, little new.
16	718	23	436	Ditto ...... coarse, little new.
17	720	24-25	226	Ditto ...... rather coarse and rather new.
18	722	24	630	Ditto ...... rather coarse and new.
19	724	24	606	Ditto ...... rather coarse and rather new.

continued.

Break.	Folio.	Tare.	Chests.	
		lbs.		CONGOU, at 1*s*. 8*d*. per lb.—*continued.*
20	728	24	543	But middling Congou, little fresh.
21	730	24	622	Ditto ...... rather new, little burnt.
22	734	24	610	Ditto ...... rather coarse and rather new.
23	737	24	451	Ditto ...... rather coarse, little new.
24	740	24	550	Ditto ...... rather new.
25	742	24	545	Ditto ...... rather coarse, little new.
26	745	24	606	Ditto ...... rather coarse and rather new.
27	749	23	389	Ditto ...... rather coarse, little new, as 22 Br. S.S. 1829.
28	750	24	624	Ditto ...... little coarse.
29	754	23	637	Ditto ...... rather coarse, new.
30	757	24	616	Ditto ...... rather coarse and rather new.
31	760	23	634	Ditto ...... rather coarse, little strong.
32	763	23	590	Ditto ...... mixt leaf kind.
33	766	24	299	Ditto ...... rather coarse.
				CONGOU, at 2*s*. 1*d*. per lb.
34	769	24-25	628	But middling congou, mixt blackish leaf.
35	772	25	617	Ditto .... ditto.
36	776	24	618	Ditto .... ditto.
37	779	25	617	Ditto ...... mixt blackish tea kind of leaf.
38	783	25	604	Ditto ...... blackish mixt tea kind of leaf.
39	786	23	573	Ditto ...... blackish leaf, rather strong.
40	789	23	605	Ditto .... ditto ...... ditto.
41	792	24	467	Ditto ...... mixt leaf, as 81 Br. M.S. 1830.
42	795	24	564	Ditto ...... blackish rather mixt leaf, rather strong.
43	798	25	299	Preferable to but middling tea, blackish leaf, Pekoe kind.
44	800	24	299	But middling tea or pref, blackish leaf, little Pekoe kind.
45	802	22-23	111	But middling congou, smallish leaf.
46	802	24	616	Ditto ...... blackish on the wiry leaf.
47	806	24	610	Ditto ...... mixt leaf.
48	809	23	597	Ditto ...... on the mixt wiry leaf.
49	812	23	588	Ditto ...... mixt leaf.
50	815	25	615	Ditto ...... mixt blackish tea kind of leaf.
51	819	23-24	594	Ditto ...... mixt blackish leaf.
52	822	23-24	526	Ditto ...... blackish mixt leaf, little strong.
53	825	25	619	Ditto ...... blackish wiry leaf, little Pekoe kind.
54	828	24	621	Ditto ...... mixt blackish leaf, rather fresh.
55	831	23	594	Ditto ...... smallish mixt blackish leaf.
56	834	24	283	But middling congou.
57	836	25	587	Ditto ...... blackish mixt leaf.
58	839	24	600	Ditto ...... mixt leaf.
59	842	24	600	Ditto ...... mixt leaf, rather fresh, little new.
60	846	22	592	Ditto ...... smallish blackish leaf.
61	849	25	595	Ditto ...... mixt blackish tea kind of leaf.
62	852	23	599	Ditto ...... mixt leaf.
				One-eighth chests.
63	856	13	616	But middling congou, mixt blackish leaf.
				Quarter chests.
64	858	24	594	But middling congou, mixt blackish leaf kind.
65	861	23-24	611	Ditto ...... mixt blackish leaf.
66	865	25	610	Ditto ...... a little strong.
67	868	23	488	Ditto ...... mixt leaf, as 59 Br. M.S. 1830.

(*continued.*)

Break.	Folio.	Tare.	Chests.	
				CONGOU, at 2s. 1d. per lb.—*continued.*
		lbs.		
68	871	25	619	But middling congou, on the mixt blackish leaf kind.
69	874	24	607	Ditto ...... rather coarse.
70	878	24	621	Ditto ...... rather coarse, little strong.
71	881	24	603	Ditto .... ditto ...... ditto.
72	885	23	612	Ditto ...... smallest mixt leaf.
73	888	24	596	Ditto ...... mixt leaf.
74	891	23	576	Ditto ...... mixt leaf, rather new.
75	894	23-24	583	Ditto ...... mixt leaf, little new.
76.	897	24	630	Ditto ...... little new.
77	901	22	448	Ditto ...... as 72 Br. M.S. 1830.
78	904	24	583	Ditto ...... mixt leaf.
79	907	23	579	Ditto ...... rather coarse and rather new.
80	910	23	368	Ditto ...... rather coarse, little strong.
81	912	23	623	Ditto ...... rather coarse and rather new.
82	916	24	581	But middling tea, Pekoe kind.
				One-eighth chests.
83	919	14	1,042	But middling congou, mixt blackish leaf.
				Quarter chests.
84	924	24	638	But middling congou.
85	927	24	614	Ditto ...... rather coarse.
86	930	24	563	Ditto ...... mixt leaf, rather fresh.
87	933	24	562	Ditto ...... mixt leaf.
88	936	24	588	Ditto ...... rather coarse, little strong.
89	939	25	602	Ditto ...... mixt tea kind of leaf.
90	942	23	621	Ditto ...... blackish wiry leaf.
91	946	24	593	Ditto ...... mixt leaf, little new.
92	949	24	587	Ditto ...... mixt blackish leaf.
93	952	24	575	Ditto ...... on the mixt blackish leaf.
94	955	24	926	But middling congou.
95	960	24	598	Ditto ...... mixt blackish leaf kind.
96	963	25	604	Ditto ...... mixt blackish tea kind of leaf.
97	966	25	201	Ditto ...... mixt blackish leaf.
98	967	24	603	Ditto ...... mixt leaf, little new.
99	970	24	1,019	Ditto ...... on the mixt blackish leaf.
100	976	24	580	Ditto ...... rather coarse.
101	979	23	643	Ditto ...... on the blackish leaf.
102	982	24	100	Ditto ...... on the dull blackish leaf.
				CONGOU, at 1s. 8d. per lb.
103	983	24	220	But middling tea, rather coarse, campoi kind.
104	984	23	162	Ditto ...... ditto ...... ditto.
105	985	23-24	211	Ditto .... rather coarse, little new, campoi kind.
106	986	24	206	Ditto ...... ditto .... campoi kind.
107	987	23-24	163	Ditto .... rather fresh and new, campoi kind.
108	989	24	238	Ditto .... coarse and new, campoi kind.
109	990	23	239	Ditto .... coarse, campoi kind.
110	991	23	239	Ditto .... rather coarse, campoi kind.
111	993	23	236	Ditto ...... ditto ...... ditto.
				CAMPOI, at 2s. 4d. per lb.
1	994	24	206	Preferable to but middling tea, mixt leaf.
2	995	24	157	Preferable to but middling tea.
3	996	24	218	But middling tea.
4	997	22	296	Ditto .... mixt leaf.

(continued.)

Break.	Folio.	Tare.	Chests.	
				CAMPOI, at 2*s*. 4*d*. per lb.—*continued.*
		lbs.		
5	999	24	199	But middling tea.
6	1007	23-24	120	Ditto .... or preferable, as 11 Br. M S. 1830.
7	1008	23-24	202	But middling tea.
8	1009	24	219	Ditto.
9	1010	23	48	Ditto .... or preferable, as 5 Br. M.S. 1829.
				At per lb.
—	1000	23-24	96	Preferable to but middling tea.
—	1000	23-24	173	Ditto .... ditto.
—	1001	24	173	But middling tea, or preferable.
—	1002	24	199	But middling tea.
—	1003	23	218	Ditto .... or preferable.
—	1005	23	174	Preferable to but middling tea, mixt leaf, fresh.
—	1006	22	222	But middling tea.
—	1010	23-24	78	Ditto .... or preferable.
—	1011	23	229	But middling to middling tea, mixt leaf, fresh.

(*Mr. Mills.*)—This paper contains a comparison of the character and prices of some of the teas sold at the June sale, shewing that the Company's upset price did not correspond with the Company's characters.

[*The same is delivered in and read, and is as follows :*]

COMPARISON of the CHARACTERS and PRICES of different BREAKS of CONGOU, sold at June Sale 1830.

CONGOU.

The 69th break, 85th break, 100th break } Put up at 2*s* 1*d* per lb., have the same character as the 28th break and 35th break, put up at 1*s*. 8*d*, and are lower in character than the 31st break, put up at 1*s*. 8*d*.

The 74th break, 75th break, 91st break } Put up at 2*s*. 1*d*. per lb., have the same character as the 1st break, put up at 1*s*. 8*d*., and are lower in character than the 6th, 7th, 9th, 10th, 11th, 13th, 14th, 15th, 16th, 17th, 18th, 19th, 20th, 22d, 23d, 25th, 26th, 27th, 28th, 30th, 31st, 32d, 33d breaks; in all 23 breaks, which are put up at 1*s*. 8*d*. per lb.

The 76th break, put up at 2*s*. 1*d*., has a character lower than the 2d, 3d, 4th, 6th, 7th, 9th, 10th, 11th, 13th, 14th, 15th, 17th,, 19th, 20th, 22d, 23d, 25th, 26th, 27th, 28th, 30th, 31st, 32d, and 33d breaks; in all 24 breaks, which are put up up at 1*s*. 8*d*. per lb.

The 79th break, 81st break } Put up at 2*s*. 1*d*., have the same character as the 6th, 9th, 10th, 17th, 19th, 22d, and 26th breaks, put up at 1*s*. 8*d*. per lb., and are lower in character than the 11th, 14th, 28th, 31st, and 33d; in all 5 breaks, put up at 1*s*. 8*d*. per lb.

The 80th break, 88th break } Put up at 2*s*. 1*d*., same character as the 14th and 31st breaks, which are put up at 1*s*. 8*d*. per lb.

6459. How do you explain that difference?—The upset price is taken to be a remunerating price, which consists of the cost of the teas in China, and the expense of bringing them home. It appears, therefore, obvious that the teas put up at 2*s.* 1*d.* must have cost the Company more in Canton than the teas put up at 1*s.* 8*d.*; but their inspectors here declare that the tea put up at 2*s.* 1*d.* is not so good as that put up at 1*s.* 8*d.*; there is, therefore, an obvious difference of opinion between their inspectors in this country and their factory in Canton.

6460. You conceive that the factory of the Company at Canton do not habitually discriminate the sale price of the respective qualities of tea that they send to England?—The declared opinion of their inspectors in this country is obviously at variance with the opinion of the factory at Canton. It is for every person to judge by whom the more correct opinion is formed.

6461. According to your opinion, which is the most correct? —I should rather state the opinion of purchasers collectively; and certainly the opinions of the trade in this country would more agree, though they would in some respects differ with the inspectors here, than with the opinion of the factory abroad, judging from the prices at which the teas sell; the fact of some of the 2*s.* 1*d* teas not finding any purchaser, and 1*s.* 8*d.* teas selling as high as 2*s.* 5*d.*, would argue against the judgment of the factory at Canton.

6462. Is it not the fact that teas rejected at one sale, and put up at a subsequent sale without any price, have frequently fetched a higher price than teas put up at the same sale at the price at which they were originally put up at the previous sale? —If prices have generally advanced, teas which were rejected at 2*s.* 1*d.* at a former sale, and which would have found customers at 2*s.* 0½*d.*, if the prices have advanced from the Company diminishing the quantity, would fetch the prices at which they were rejected on a former sale.

6463. What are the descriptions of tea for which you conceive there might possibly be an increased demand in England, were the supply adequate?—I should say generally that the consumption of tea might be materially increased. I do not myself see why the consumption of tea should not keep pace with the consumption of coffee. The consumption of coffee, since 1824, has increased above 130 per cent.; the consumption of tea within that time has increased only 26 per cent.

6464. What is the particular quality of tea in which you conceive there is the greatest opening for an increased consumption?—I should think the lowest teas and the finest teas are the two descriptions of tea of which the greatest increase in quantity might be sold; but I think generally the consumption of tea might be greatly increased if the supply was increased.

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6465. Have you seen the return from the East-India House, in which the average prime cost of tea at Canton is stated for the last six years?—Yes, I have.

6466. Have you compared that with the price at which the Company have sold those teas?—I have.

6467. What is the general inference you have drawn as to the profit of the Company from those sales upon that comparison?—I compared the average cost price at Canton in 1828-29 with the sale prices of the last sale; probably some of the identical teas purchased in 1828-29 were then sold. On the bohea the advance upon the lowest was ninety-two per cent, and upon the highest one hundred and forty per cent.; on the lowest congou, put up at 1*s.* 8*d.*, the advance was seventy-five per cent., and the highest ninety-nine per cent.; and on congous put up at 2*s.* 1*d.* the advance upon the lowest was seventy-eight per cent., and upon the highest one hundred and ninety-five per cent.; on twankay, put up at 2*s.* 2*d.*, the advance on the lowest was sixty-six per cent., and on the highest one hundred and fifty-three per cent.; and on hysons, put up at 3*s.* to 3*s.* 9*d.*, the advance on the lowest was seventy-nine per cent., and on the highest one hundred and forty-one per cent.

[*The witness delivers in the statement, which is read, and is as follows:*]

STATEMENT of ADVANCE on TEAS sold at the JUNE SALE 1830 above the Average Cost Prices of 1828-29 at Canton, as stated in Returns made by the East-India Company, dated 17th March 1830.

Description.	Average Cost Price at Canton, 1828-29.			Putting up Price, June Sale 1830.		Selling Prices, June Sale 1830.			Advance per Cent. on Average Cost Price at Canton.			
	s.	d.		s.	d.		s.	d.	About			
Bohea ..	0	9	512	1	5	Lowest	1	6¼	92	per cent.	91	86
						Highest	1	10¾	140	—	139	17
Congou ..	1	2	587	1	8	Lowest	2	1½	75	—	74	81
						Highest	2	5	99	—	98	80
Congou ..	1	2	587	2	1	Lowest	2	2	78	—	78	24
						Highest	3	7	195	—	194	78
Twankay	1	3	810	2	2	Lowest	2	2¼	66	—	66	03
						Highest	3	4	153	—	153	—
Hyson ..	2	2	263	3s. & 3s. 9d.		Lowest	3	11	79	—	78	96
						Highest	5	3½	141	—	141	40

6468. Can you, from that statement, draw an inference as to the net profit of the Company here upon the whole sale?—I have made a calculation of the advance on teas sold at the East-India Company's sale in season 1830, above the putting-up price.

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6469. What notice have you taken in that paper of teas rejected at former sale brought in again?—There were no rejected congous put up at the last sale; there were a few twankays, which I have omitted; they sold, in consequence of the deficiency of supply, at a considerable advance.

[*The paper is delivered in, and is read as follows:*]

CALCULATION of the ADVANCE on TEAS, sold at the East-India Company's Sale in June 1830, above the Putting-up Price.

		£.	s.	d.	£.	s.	d.
On Bohea Teas	put up at 1*s*. 5*d*. per lb.				15,859	15	9
On Congou Teas	put up at 1*s*. 8*d*. per lb.	40,353	18	7			
On Congou Teas	put up at 2*s*. 1*d*. per lb.	43,289	7	1			
On Campoi Teas	put up at 2*s*. 4*d* per lb.	117	16	8			
On Twankay Teas ..	put up at 2*s*. 2*d*. per lb.	11,080	16	1			
On Hyson Skin Teas,	put up at 2*s*. 3*d*. per lb. ...	749	14	4			
On Hyson Teas	put up at 3*s*. 0*d*. per lb.	3,301	11	2			
On Hyson Teas	put up at 3*s*. 9*d*. per lb.	6,184	18	5			
		£105,078	2	4			
	Lot Money......	1,240	0	0			
					106,318	2	4
Profit to the East-India Company above the Putting-up Price					£122,177	18	1
Add 96 per Cent Duty on Bohea Teas..........................					15,225	7	7
Ad valorem Duty on the other sorts of Teas					105,078	2	4
Cost to the Consumers above the Putting-up Price					£242,481	8	0

6470. Have you any means of knowing what the advance per cent. is in the price of teas sold by the Americans in the United States and on the Continent of Europe beyond the original price of those teas at Canton?—No, I have not.

6471. The net profit, then, that we are to infer the Company derive from their sale in June 1830, to which your calculation refers, was £122,177. 18*s*. 1*d*.?—Yes; that is the calculation of the profit above the putting-up price.

6472. Are you of opinion that the profit is less or greater than in the corresponding sales of the preceding year?—I should hardly venture to give an opinion upon that, for the prices of teas vary greatly; tea is lower than it used to be, though it has declined in value much less than many other articles of consumption.

6473. Are you aware of any reason why that sale should have differed particularly from other sales?—Yes. I think that the report in circulation, and the inadequacy of the stock, had an effect.

6474. Will you state whether those descriptions of teas which you have represented to be furnished exclusively by private

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Mr. T. Mills.

traders, under the sanction of the Company, are to be obtained as regularly as the Company's teas?—The ships from Canton arrive only once in the year, and the private trade always sell their teas at the ensuing sale after their arrival; the sale of those teas, therefore, generally takes place in June; but some of the ships arrive late, and then the sale of the remainder of that private trade takes place in September; but the supply of that description of tea must always be purchased at those two sales for the rest of the year.

6475. The supply cannot be so regularly depended upon of that description of teas as the supply of those teas furnished by the Company?—No. I will beg to state the description of teas for which we depend entirely on the supply of the private trade; the Company do sometimes import souchong and pekoe, but they have now none to sell. The other sorts are padree, caper, tetsong, and ancoy, of black teas; and young hyson and gunpowder, of green teas; those are among the finest description of hyson sold.

6476. Are they of a finer quality than any imported by the Company?—Certainly. They have only once in my time imported young hyson, and once gunpowder; the gunpowder fetches a higher price than any of the Company's teas.

6477. Can you state what are the rates charged by the Company for disposing of teas imported by private individuals?—They charge their own officers an ad valorem duty of about twenty-six per cent. As they are sold at the East-India House, of course the Company know the price they obtain, and they take off a sum amounting to twenty-six per cent.

6478. Are those rates greater or less than they charge for other goods?—They are very different.

6479. Can you state the difference?—On silk, which is, upon the average, threefold the value of teas, they charge only one and a half per cent.; and on spices, which are about the same value as tea, they charge only one and a quarter. This is their own printed schedule of rates to which I am referring.

[*The same is delivered in, and is read as follows.*]

SCHEDULE of RATES to be charged by the East-India Company for the Management and Sale of Goods imported by Private Merchants.

For Wharfage, Landing, Cartage, Housing, Coopering, Taring, mending Packages if broken by ordinary Ship's Breakage, enlarging Indigo or other Chests when necessary, weighing, shewing to the Buyers, printing Catalogues, selling at the Sales at the East-India House, or shewing and Attendance in case the Importer shall sell the Goods by Private Sale, and delivering; calculated on the Sale Value of Goods sold at the Company's Sales, and on the estimated Value of Goods sold by Private Bargain.

For Warehouse Rent, per Week, payable upon each Parcel of a Ship's Cargo from the Day on which the first Parcel of Goods by that Ship shall be delivered into the Company's Warehouses.

N.B.—On Goods sold at the Company's Sales, the Importer is to pay the Weekly Rent until the Prompt Day,* from which Day the Buyer is to pay it.

	Rates per Cent. £.	s.	d.	Warehouse Rent £.	s.	d.	
Aloes	2	10	0	0	0	10	per ton.
Alum	4	0	0	0	0	5	per ton.
Annatto	3	0	0	0	0	10	per ton.
Anniseed	4	0	0	0	0	1½	per chest.
Arrack and other spirits	2	0	0	0	1	0	per leaguer.
				0	0	8	per butt.
				0	0	6	per pipe or puncheon.
Arrow Root	4	0	0	0	0	7½	per ton.
Arsenic, hartall, and orpiment	5	0	0	0	1	3	per ton.
Assafœtida	3	0	0	0	0	10	per ton.
Bark	4	0	0	0	0	10	per ton.
Bees' wax	3	0	0	0	0	10	per ton.
Betel nuts	4	0	0	0	0	5	per ton.
Borax and tincal	3	0	0	0	0	10	per ton.
Callicoes, white, printed or dyed (vide Piece Goods)							
Cambogium	2	0	0	0	0	10	per ton.
Camphire	2	0	0	0	1	3	per ton.
Canes and sticks, 1*s.* 6*d.* per 100 in tale	....	....	....	0	0	2	per thousand.
Cardemoms	2	0	0	0	1	3	per ton.
Cassia buds	2	10	0	0	0	10	per ton.
Cassia lignea	4	0	0	0	1	3	per ton.
Castor beans	7	0	0	0	0	5	per ton.
Castor oil, in duppers or jars	3	10	0	0	1	3	per ton.
Castor oil, in bottles	7	0	0	0	0	1	per chest.
Cayenne pepper	4	0	0	0	0	0½	per bag.
Chassum, 10*s.* per bale, not exceeding 4 maunds	....	....	....	0	0	1½	per bale.
Chillies, in bales	5	0	0	0	0	7½	per ton.
Chillies, in bundles	7	0	0	0	1	3	per ton.
China root	5	0	0	0	0	5	per ton.
Chinese manufactures;—*viz.* china ware, coque-de-perle, fans, ink, mats, lacquered ware, mother-o'-pearl ware, paper, soy, &c.	2	0	0	0	0	2	per chest until prompt day, and afterwards 1*d.* per lot if divided.
Cinnabar or vermilion	2	0	0	0	0	10	per ton.
Cinnamon	1	0	0	0	0	1½	per bale.
Cloves	1	0	0	0	0	1½	per chest.
Cochineal	2	0	0	0	0	10	per ton.

(*continued*).

* That is, the day (fixed at the time of sale) upon which the buyer engages to pay in full for the goods bought by him.—In case the goods shall not pass the sales, the whole of the warehouse rent, until the period of delivery, will of course remain a charge upon the goods, and be paid by the importer, or the person to whom he may transfer his property in the goods.

	Rates per Cent. £. s. d.	Warehouse Rent per Week. £. s. d.
Coculus indicus	2 0 0	0 0 10 per ton.
Coffee, of all kinds	2 0 0	0 0 7½ per ton.
Columbo root	2 0 0	0 0 10 per ton.
Cornelian, agate, and arrangoe stones, beads and manufactures of ditto; also coral beads	2 0 0	0 0 2 per chest until prompt day, and afterwards 1*d.* per lot if divided.
Cotton thread or yarn	1 0 0	0 0 1¼ per bale.
Cotton wool { Bengal, Madras, and Surat }	1 10 0 On a fixed value of 6*d.* per pound.	0 0 0¼ per 100lbs.
Cotton wool (Bourbon)	1 10 0 On a fixed value of 1*s.* per pound.	0 0 1½ per bale.
Cowries	7 0 0	0 0 5 per ton.
Cubebs	3 0 0	0 1 3 per ton.
Cummin seed	2 0 0	0 0 5 per ton.
Dragon's blood	3 0 0	0 0 10 per ton.
Elephant's teeth and sea-horse teeth	2 0 0	0 0 1 per cwt.
Frankincense	4 0 0	0 0 10 per ton.
Galanga root	4 0 0	0 0 10 per ton.
Galbanum	4 0 0	0 0 10 per ton.
Galls	3 0 0	0 0 10 per ton.
Ginger	6 0 0	0 0 5 per ton.
Gum ammoniac	2 10 0	0 0 10 per ton.
Gum animi or copal	2 10 0	0 0 10 per ton.
Gum arabic	3 0 0	0 0 10 per ton.
Gum benjamin	3 0 0	0 0 10 per ton.
Gum kino	2 0 0	0 0 10 per ton.
Gum mastich	4 0 0	0 0 10 per ton.
Gum myrrh	2 10 0	0 0 10 per ton.
Gum olibanum	4 0 0	0 0 10 per ton.
Gum senega	4 0 0	0 0 10 per ton.
Gum tragacanth	4 0 0	0 0 10 per ton.
Gum unrated	4 0 0	0 0 10 per ton.
Hemp and sunn	2 0 0	0 0 5 per ton.
Hides	5 0 0	0 0 7½ per ton.
Horns, buffalo	7 0 0	0 0 10 per ton.
Horn tips	4 0 0	0 0 5 per ton.
Indigo	2 0 0	0 0 1½ per chest of any weight.
Kelp, barilla, alkali, and soda	7 0 0	0 0 0¼ per cwt.
Lac lake and lac dye	2 0 0	0 0 10 per ton.
Lichen or moss	7 0 0	0 0 1 per bale.
Long pepper	3 0 0	0 0 7½ per ton.
Mace	1 0 0	0 0 1½ per chest.
Molasses	2 0 0	0 0 6 per hogshead. 0 1 0 per pipe or leaguer.
Mother-o'-pearl shells	3 0 0	0 0 5 per ton.
Munjeet { in bales	3 0 0	0 0 7½ per ton.
Munjeet { in bags or bundles	4 0 0	0 1 3 per ton.
Musk	1 0 0	0 0 2 per chest until prompt day, and afterwards ½*d.* per lot if divided.
Muslins, white, printed, or dyed (vide Piece Goods).		
Myrabolanes	7 0 0	0 0 5 per ton.
Nankeens { Passing Company's sales	1 10 0	0 0 1 per bale or chest.
Nankeens { By private bargain	1 5 0	

(continued.)

	Rates per Cent. £.	s.	d.	Warehouse Rent per Week. £.	s.	d.	
Nutmegs	1	0	0	0	0	1½	per chest.
Nux vomica	5	0	0	0	0	5	per ton.
Oils, chemical	2	0	0	0	0	2	per chest until prompt day; and afterwards for quart bottles, loose, not exceeding six per lot, ⅛th of a penny per quart bottle; if exceeding six per lot, 1*d.* per dozen quart bottles. Canister under 400 ounces, ½*d.* per canister; exceeding 400 ounces, 1*d.* per canister.
Oil of cocoa nut	3	0	0	0	0	6	per hogshead.
				0	1	0	per pipe or leaguer.
Opium	1	0	0	0	0	10	per ton
Pepper, black	2	0	0	0	0	1	per bag of 316lbs.
———, white	2	0	0	0	0	0¾	per bag of 224lbs.
Piece goods, cotton, white, coloured, and mixed silk and cotton — Passing Company's sales	1	10	0	0	0	1½	per bale.
Piece goods, cotton, white, coloured, and mixed silk and cotton — By private bargain	1	5	0				
Piece goods, silk — Passing Company's sales	1	0	0	0	0	1½	per bale.
Piece goods, silk — By private bargain	0	15	0				
Puree	2	0	0	0	0	1	per chest.
Rattans, 2*s.* per 1,000, in tale				0	0	2	per thousand.
Red saunders wood	5	0	(	0	0	1½	per ton
Rhubarb	2	0	0	0	0	10	per ton.
Rice	3	10	0	0	0	0¼	per bag.
Safflower	2	0	0	0	0	7½	per ton.
Sago	6	0	0	0	0	5	per ton.
Sal ammoniac	3	0	0	0	0	10	per ton.
Saltpetre	3	0	0	0	0	5	per ton.
Sandal wood	3	0	0	0	0	3	per ton.
Sapan wood	4	0	0	0	0	2	per ton.
Sea-horse teeth (vide elephant's teeth).							
Sealing wax	4	0	0	0	0	10	per ton.
Seed lac	4	0	0	0	0	10	per ton.
Seeds of all kinds	4	0	0	0	0	5	per ton.
Senna	2	10	0	0	0	7½	per ton.
Shawls — Passing Company's sales	1	0	0	0	0	1½	per bale.
Shawls — By private bargain	0	15	0				
Shellac	4	0	0	0	0	10	per ton.
Silk, *viz.* raw silk of Bengal or China	1	0	0	0	0	1½	per bale.
Silks, wrought (vide piece goods, silk).							
Skins	6	0	0	0	0	1	per hundred.
Soap	5	0	0	0	0	7½	per ton.
Spirits (vide arrack).							
Sticklac	4	0	0	0	0	10	per ton.
Sugar	2	0	0	0	0	0¼	per cwt.
Sugar candy	2	0	0	0	0	1	per chest.
Talc or ubruc	4	0	0	0	0	5	per ton.
Tamarinds	4	0	0	0	0	10	per ton.
Terra japonica	4	0	0	0	0	7½	per ton.
Tin	1	0	0	0	0	5	per ton.
Tortoiseshell	1	0	0	0	0	1	per box.
Turmeric	5	0	0	0	0	5	per ton.
Tutenague	2	0	0	0	0	5	per ton.
Ultramarine	2	0	0	0	0	1	per box.
Wood for dyeing, and all other wood except red saunders, sandal, and sapan wood	7	0	0	0	0	2	per ton.
Wool of sheep or goats	3	0	0	0	0	1	per bale.
Zedoaria	2	0	0	0	0	7½	per ton.

Articles not enumerated will be charged according to their value and bulk.

25 June 1830. These rates are calculated on the usual packages in which goods have hitherto been imported. Proportionable rates will be charged for any other kinds of packages.

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If goods require to be garbled, or to have new packages, a reasonable price will be charged for the same.

A charge of one-quarter per cent. on the gross value of all goods sold at the Company's sales, and of one-eighth per cent. on all goods delivered by valuation or private bargain, will be made to the proprietors, in addition to the above per-centage rsspectively.

The usual petty fee of lot or loading money will be paid to the warehousekeepers by the parties who may take the goods away.

East-India House, 4th October 1826.

6480. Are you aware of any reason why they should make so great a difference in the charge upon different descriptions of commodities?—My opinion is, that they make this charge on teas to prevent the competition of their own servants.

6481. You infer that they apprehend that competition more in the case of tea than of other commodities?—Certainly.

6482. Do they take into consideration, in making that charge, the circumstance of their officers bringing home their teas free from freight?—No. In the agreement the Company make with their officers, a certain quantity of tonnage is allowed them, and in that tonnage the officers bring home either teas, silk, or mother-of-pearl shells, or any thing they please, or they even sell it sometimes. These are the papers in which their charges are stated; they charge twelve per cent. on one account, and sixteen per cent. on another account, averaging together twenty-six per cent.

6483. Do the purchasers of tea meet with the same facilities of accommodation from the Company as the purchasers of other goods?—No, I certainly think not: the few sales that occur in the course of the year are a great inconvenience to the trade. In every other article in which there is such a large consumption, the sales occur daily and weekly, such as sugar and coffee and groceries; and whenever the trade has had an occasion to make any application to the Company, they have been disinclined to comply with it. They make a charge for lot money, which is much greater than is made by other importers; they charge 3*d*. a chest for lotting teas, and that produces about £6,000 a year to the Company; the lotting of the tea is done for their own convenience; and on many occasions the trade have applied to the Company for its remission, but without success.

6484. Are you of opinion that the opening of the trade from Canton, and doing away with the monopoly of the Company, would be favourable or injurious to your interests as a tea-dealer?—The brokers, who at present have a brokerage upon

25 June 1830.

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the whole of the teas imported, wish generally the trade to be confined to this port. The dealers, I think, are divided in opinion; all of them would wish the trade thrown open if the imports could be confined to the port of London. My own opinion is, that it would be more for my personal interest if the trade was thrown open.

6485. Would it not be clearly for the personal interest of the tea-dealers in other parts of the country than London?—Decidedly. The objection felt by any portion of the trade here is, that tea-dealers in other parts of the country would be benefited at their expense.

6486. Have you any doubt that there would be a greatly increased consumption of tea, supposing the trade were thrown open generally?—I have no doubt at all of it.

6487. Do you think that teas of inferior quality would be obtained at a cheaper rate?—I have no positive facts on which to form that opinion; but the calculation of the Company's profit leads to such an inference.

6488. Have you any doubt tea might be imported at a much cheaper rate by private merchants?—I have no doubt of that; for the private merchant would be content with a small portion of the Company's profits.

6489. Do you supply any persons in Ireland with tea?—No.

6490. You are not aware of the state of consumption of tea in Ireland?—No. I am aware there are houses in London who purchased it for the consumption of Ireland, and that a very considerable quantity is purchased for Ireland.

6491. You have no means of judging whether a more or less increased consumption would take place in Ireland in consequence of opening the trade?—I think the consumption of tea would be generally increased if the quantity was increased.

6492. Can you state the difference between the wholesale and retail price of the different qualities of teas?—No; that is quite uncertain. In towns where there is a great competition the retailer is satisfied with a much less profit than he would be in cases where there was no competition.

6493. In London what is the per-centage?—I do not know; I am not a retailer, and I supply no London retail dealer.

6494. Whom do you supply?—We supply country grocers—the retail grocers.

6495. What is the highest price you pay for any tea you buy?—We buy all varieties, from 1*s.* 6*d.* to 5*s.* 3*d.*

6496. Is 5*s.* 3*d.* the highest price you have given for teas of late years?—No; occasionally a very small quantity may have sold at a higher price.

6497. Do you transact all your business through brokers?—

25 June 1830. — *Mr. T. Mills.*

We attend the sale room when the teas are put up, and nod to a broker, who makes the bidding.

6498. You bid through him, upon your own judgment; you do not trust to his judgment?—Of course we act upon our own judgment.

6499. What is the commission paid to the broker?—An half per cent.

6500. Are there many wholesale tea dealers in London?—Yes, there is a considerable number.

6501. The trade is not confined to a small number of persons?—No. I cannot give a guess as to the number, but I should say there may be three or four hundred.

6502. To what circumstance do you attribute the reduction which has taken place in the price of tea of late years?—To the increased quantity declared by the Company for sale.

6503. Do you not apprehend that the increased consumption of coffee has had a considerable effect in reducing the price of tea; that it has been used by the lower orders as a substitute?—Certainly.

6504. Do you apprehend that the increased consumption of coffee will be progressive at the present relative duties on tea and coffee?—I can hardly give an opinion; the consumption of coffee continues to increase every year; and I see no reason why the consumption of tea should not increase in the same ratio.

6505. If coffee increases in the same ratio, will it not displace so much tea in the general consumption of the country?—The population of the country is increasing; if the price of coffee was to decline, I think that would be very unfavourable to the consumption of tea.

6506. How much per cent. is the price of coffee increased by the duty?—The duty is sixpence a pound.

6507. What increase is that upon the price?—Coffee sells at all prices; it is impossible to tell; coffees are bought as low as 30*s.* per cwt.; the duty is 56*s.* per cwt.

6508. What is the highest price?—Mocha coffee sells for six guineas; the duty upon that is ninepence per lb., and on all East-India coffee.

6509. Can you say what is the average increase in price per cent. on coffee, in consequence of the duty?—No, I cannot.

6510. Of that quality, what is most usually consumed?—There is such a variety of coffee; I have bought coffee at 38*s.*, and coffee at £6.

6511. What is the rate of duty per cent. on coffee of the highest price?—It would be nearly one hundred per cent. on the cost of Mocha; £6 is a very high price.

6512. The highest price you have given for hyson tea is 5*s*. 3*d*.?—That was the highest price at the last sale; it has fetched more.

6513. What is the highest price you have given for black tea? There is a very small quantity of fine tea brought over by the private trade, and which comes over as presents.

6514. The question refers to that brought over by the Company?—Souchongs have sold at 4*s*. 9*d*.

6515. On what kinds of tea has the price fallen most?—I cannot give an opinion.

6516. How do you explain the circumstance of so large a quantity as fifteen or sixteen hundred thousand pounds of tea being refused by the trade at an advance on the upset price, and yet there having been a great increase on the upset price on the quantities sold?—Because that tea refused and put up at 2*s*. 1*d*. was not worth the price at which it was put up; other tea put at 1*s*. 8*d*. has fetched 2*s*. 5*d*.

6517. You attribute its rejection to its not being of the value at which it was put up?—Undoubtedly; it would have been bought at any sale at which it was rejected at very near 2*s*. 1*d*. or at 2*s*. 0½*d*.

6518. Are you not aware that some of that tea, which had been rejected as not being worth an advance on the upset price, has been sold at the next sale at a higher price than that at which it had been offered at the previous sale?—Not unless there was an advance in the price of teas of the same quality; generally the variation would not, in the opinion of dealers, shew the value of tea, for the reasons I have already stated.

6519. The Company have no controul over the quantity put up by their officers?—They know what that quantity will be, and they limit their own supply accordingly. They make up the quantity over and above the quantity sold by their officers.

6520. As the quantity of tea rejected by the public has increased very much of late years, do you apprehend that the quality of tea put up by the Company has been inferior, and that the upset price has been higher, in proportion to the value of the tea, than it used to be?—I should say there was, in every sale, a greater quantity than there used to be of what we call a fresh new tea. The teas are not so strong as they used to be.

6521. What do you mean by a fresh tea?—Those terms are used in the Company's character; it is a weaker tea; not a strong coarse tea.

6522. It does not mean that it is a young tea?—No.

6523. Is that tea, called fresh new tea, generally inferior in value to the price at which it is put up?—Not necessarily,

25 June 1830. — *Mr. T. Mills.*

because there are fresh new teas put up both at 1*s*. 8*d*. and 2*s*. 1*d*.

6524. Is it tea of that description which has been usually rejected?—Yes, frequently.

6525. Are you aware what the decrease of price had been, previous to the last sale, within the last six years?—No, I have not made a calculation.

6526. Have you estimated the net profit, in the manner in which you have estimated it for the last sale, in any previous year?—No, I have not.

6527. Are you aware whether the net profit on the last sale was greater or less than in June 1826, for instance?—No, I am not.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 29° *Junii* 1830.

The Lord President in the Chair.

29 June 1830. Ordered, That this Committee be adjourned to Thursday next, one o'clock.

Die Jovis, 1° *Julii* 1830.

The Lord President in the Chair.

Mr. RICHARD SHAW is called in, and examined as follows:

1 July 1830. — *Mr. R. Shaw.*

6528. You are a manufacturer of bombasins and camlets at Norwich, are you not?—I am, of both.

6529. What is the difference between them?—A bombasin is made of silk and worsted, a camlet of all worsted.

6530. Which articles have you chiefly supplied the East-India Company with?—They buy principally camlets.

6531. Has there been an increase or a decrease in the quantity purchased by the East-India Company during the last twenty or twenty-five years?—I believe that there is a smaller quantity ordered now than there was twenty years back; I can speak to the trade for eighteen or nineteen years, during which I have been in it for the Company.

6532. To what extent has there been a decrease during that period?—I think from three to five thousand pieces a year. Formerly the Company's order was from fifteen to eighteen

1 July 1830.

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thousand pieces a year; for the last eight or ten years there has been only twelve thousand each year, except one year, when there were fifteen thousand.

6533. Is the manner of purchase by tender?—Yes.

6534. Is the lowest tender invariably accepted?—That I am not able to say; we very seldom know each other's tenders. They are not bound to take the lowest offer. I can show one of the circulars, if it is desired.

[*The witness produces the same, and it is read, and is as follows:*]

CAMLETS for CHINA, 1830-31.

Sir, East-India House, 28th Oct. 1829.

I am ordered by the Committee of Buying and Warehouses of the East-India Company to acquaint you, that the Committee will be ready on Wednesday the 18th of November 1829, at eleven o'clock precisely, to consider tenders (sealed up) for supplying the Company with 12,000 pieces of camlets, upon the following conditions and stipulations, *viz.*

2. The camlets are to be of the following rates, weights, and dimensions, *viz.*

	Chain Score.		Shoot Dozen Skeins		Shoots to an Inch.	Weight.					
						lb.	oz.		lb.	oz.
Doubles	23	4	29	4	50 Double	19	12	to	20	0
Singles	21	4	14	9	51 Single	19	8	to	19	12
Second singles	16	4	13	6	47 Single	19	8	to	19	12

3. Every camlet must measure 55 yards in length, of 37 inches to the yard, and be full 30 inches in width; the selvages are to be without stripes, and every piece must have two roses at each end, with the manufacturer's name or mark inserted at one end.

4. The goods are to be boiled, so as to render them soft and pliable, and they are to be well finished in every respect. The threads of the camlets must be round and even, and the texture of the weaving close. The colours must be sound and brilliant, free from cloudiness, and correctly match the Company's patterns, to which the most scrupulous conformity will be required.

5. The camlets are to be forwarded made up on boards exactly 16 inches wide; the boards must be free from turpentine, well planed, and papered all over; all folds in the goods must be avoided, and they are to have the ends slightly tacked, in order to keep them smooth.

6. The tenders must express a separate price for camlets of each quality and colour, as the Committee will not engage to take the whole quantity which any manufacturer may offer at an aggregate or average price, but will buy such respective colours and quantities as may be tendered at the cheapest rates. Every manufacturer must consequently offer so many blacks, so many purples, &c., at a separate price for each, the Committee having the option of taking all or any portion of the colours.

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7. The deliveries are to commence on the 1st of March 1830, and end on the 31st of December 1830, in ten equal monthly proportions. No charge to be made for carriage to London, nor for cartage to the warehouse.

8. The opinion of the Company's overlookers as to the quality and colour of the goods shall be final; and the overlookers shall be at liberty, should they see it proper, to cut off one of the roses of any of the camlets which they may reject, in order to prevent such camlets from being again sent into the Company's warehouse for re-inspection; and the Committee desire it to be most distinctly understood, that they will not enter into any discussion upon the merits of camlets which the overlookers may reject or may pass at abatements.

9. An abatement of five or ten shillings will be made upon any piece which may be found slightly defective in quality, colour, or in any other particular; but any camlets which in the opinion of the overlookers are unfit to be passed, will be peremptorily rejected, and must be immediately replaced with approved goods; but in case of a large proportion being objectionable, it shall be at the option of the Company to return the whole parcel, nor will they be received at the end of the season at a reduced price, as has sometimes been the practice.

10. The wrappers and packing materials of every description (except the boards upon which the camlets are made up) will be returned direct to the manufacturers, unless used up in packing the returned camlets, for which the overlookers are to receive sixpence, and no more, for each camlet.

11. Payment for the March delivery will be made on the first Thursday in May 1830, provided the goods shall have been duly delivered within the time fixed, and so on for each monthly delivery; but all payments will be withheld from persons who may be in arrear with their monthly deliveries, until such arrears shall be made good. The usual office fee of one shilling upon each camlet passed to account will be deducted from the amount of each bill of parcels.

12. All tenders must be delivered at the office of the Committee of Buying and Warehouses, in the East-India House, before eleven of the clock on Wednesday the 18th of November 1829. Many persons not having been careful to send in their offers at or before the time appointed, it is positively ordered that no tender be received after the above-mentioned day and hour; and this will be strictly observed by the Committee.

13. All goods which may be delivered in consequence of the present circular will lie at the Company's risk, in case of the calamity of fire.

14. The Committee reserve to themselves the right to reject any proposals which they may deem to be unreasonable, although such proposals may appear to be the lowest and most advantageous which may be offered.

15. The accompanying form must be adhered to; for which purpose you will please to copy the printed letter, and fill up the blanks, and sign the same, and by no means substitute any other form of

tender. You will please to write on the cover of your letter, "tender for camlets." 1 July 1830.

Mr. R. Shaw.

16. The camlets now wanted, provided the prices required shall be approved by the Committee, are as follows:

CAMLETS, Double.

	Pieces.
Ash	20
Black	400
Light Blue	140
Mazarine blue	480
Dark brown	20
Red brown	140
Purple	560
Scarlet	200
Deep yellow	40
Total doubles, pieces	2,000

CAMLETS, Single.

Ash	60
Black	1,200
Light blue	420
Mazarine blue	1,440
Dark brown	60
Red brown	420
Purple	1,680
Scarlet	600
Deep yellow	120
Total singles, pieces	6,000

CAMLETS, Second Single.

Ash	40
Black	800
Light blue	280
Mazarine blue	960
Dark brown	40
Red brown	280
Purple	1,120
Scarlet	400
Deep yellow	80
Total second singles, pieces	4,000

I am, Sir, your humble Servant,
WM. SIMONS.

All persons making tenders are required to insert their place of residence at length: if in London, the street must be named; and if in the country, the next post town must be also specified, unless the place itself be a post town, in which case the parties will notice that particular.

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Mr. R. Shaw.

To the Honourable Committee of Buying and Warehouses of the East-India Company.

Honourable Sirs,

We hereby offer to supply the East-India Company with the under-mentioned camlets, or any part thereof, at the prices set against the same; to be subject to the conditions and stipulations contained in your letter dated the 28th October 1829.

CAMLETS, Double.

	Pieces.	At per Piece.
		£. s. d.
Ash		
Black		
Light blue		
Mazarine blue		
Dark brown		
Red brown		
Purple		
Scarlet		
Deep yellow		
Total double camlets		

CAMLETS, Single.

	Pieces.	At per Piece.
		£. s. d.
Ash		
Black		
Light blue		
Mazarine blue		
Dark brown		
Red brown		
Purple		
Scarlet		
Deep yellow		
Total single camlets		

CAMLETS, Second Single.

	Pieces.	At per Piece.
		£. s. d.
Ash		
Black		
Light blue		
Mazarine blue		
Dark brown		
Red brown		
Purple		
Scarlet		
Deep yellow		
Total second single camlets		

We are, Honourable Sirs,

Dated at Your humble Servants.

this November 1829.

6535. Is the quantity of goods that is rejected by the Company considerable?—Very considerable.

6536. What is the nature of the inspection to which the goods are subjected on delivery; is that inspection carried on with fairness and with discrimination?—Certainly not; I offered to prove that last year, but the committee would not hear me.

6537. What committee?—The committee for buying at the East-India House.

6538. In what particular do you consider their mode of inspection defective?—I have had many hundreds of pieces returned which were from five to ten per cent. better than the patterns given me to work by.

6539. Have you known any instances in which goods have been returned by the Company without any obvious fault?—Yes, many instances of it.

6540. Have you ever known those same goods at a subsequent period passed?—Yes; about last May and June I received back a great quantity of goods which I knew had never been taken off the boards, nor ever examined; I dressed them again, and sent them back without any alteration, and a great many of them passed, and at the full prices.

6541. Have they always the same examiner?—There are three gentlemen overlook them.

6542. The goods the second time may have been before a different examiner?—That I cannot speak to.

6543. Have you had any opportunity of knowing whether those examiners, who have rejected the goods in the first instance, have been long in the employment of the East-India Company?—Two of them a considerable time longer than I have been a manufacturer for them; the other has been appointed since, I think some seven or eight years since. One of them, I think, has been there these forty years.

6544. Are camlets always delivered to the Company in a dyed state?—Yes, in a dyed state; different colours, according to their order.

6545. Is there any demand for camlets for the private trade?—There is a demand for what we call a private trade, a trade conducted by the Americans chiefly.

6546. Is that demand on the increase or the decline?—I think on the increase very much.

6547. During what period has it been so?—In 1821 the increase began to be very much, and from that time I believe it has increased yearly.

6548. What is the comparative quality, length, breadth, fineness, and weight of the camlets that are intended for the last-

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Mr. R. Shaw.

named trade, compared with the East-India Company's camlets? —I know of no difference; I have always made them alike, the same for the private trade as for the Company's trade; and indeed, when I made the camlets, I did not know whether they would be for the Company's or the private trade. They are always made in a white state, and I make a stock ready; and if I take an order for the Company, I dye them for the Company. The goods are quite equal.

6549. Have you reason to think that, in point of fact, the goods purchased by the private merchants are chiefly such as have been rejected by the Company?—Certainly not; not one-tenth of what the private trade take have been rejected by the Company.

6550. Do you receive exactly the same price from the private merchant and the Company for the same goods?—We make the best bargain we can; provided we have a few returns in the house, we sell them somewhat cheaper; and I had rather always take an order from the private trade than for the Company, we are subject to so many deductions and returns.

6551. What does the difference amount to?—From five to seven and a half per cent.

6552. On the whole account?—Yes; the deductions last year from my order for the Company were £1,231. 10*s.*, or thereabouts; the expences upon the returns, meaning carriage, &c. from London to Norwich, £366; the fees that I paid the Company were £542.

6553. Of what nature are the fees?—There is a shilling a piece deducted for office fee, and we pay sixpence per piece for the rejected camlets, for the packing for returning.

6554. Is that sum of £542 the fee you paid for the whole you furnished?—Yes.

6555. How many pieces were rejected?—I am not able to say that exactly; I should think from 4,500 to 5,000 pieces—better than 4,000 pieces certainly.

6556. Although the rejected pieces form but a small proportion of the quantity that is supplied to the private traders; in point of fact, have such pieces been frequently sold to the private merchants, and have they been exported by them to advantage?—Certainly.

6557. Is there any variation in the colour of the goods that are ordered by the private merchants and those that are ordered by the Company?—Very little indeed; there is one colour which the Company order, what they call light blues; the private trade order middle blues, meaning a little darker in the colour only.

6558. Do you think, from the degree in which the manufac-

turers are exposed to loss and vexation by the rejection of their goods by the Company, that the private merchant might buy on equally favourable or more advantageous terms than the Company?—Certainly.

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6559. When you ask that additional price of five or seven and a half per cent. from the Company, in consequence of the power of rejection which is stipulated for, do you calculate likewise on what you pay in fees to them?—We calculate every thing; we are obliged to do so.

6560. That covers the probable difference between selling to them and to others?—Yes.

6561. What is the value of a piece of camlet at the present moment?—According to the different colours; I should think the blacks are 76*s* or 78*s*. per piece.

6562. Upon that you pay 1*s*. as office fee?—Yes, we do; then the overlookers have the liberty, if they think a piece a little inferior in quality, of deducting five or ten shillings from the price agreed by the Company. If I make my contract at 76*s*. or 78*s*. for blacks, if the overlookers consider a piece inferior in quality five or ten shillings, they will deduct five or ten shillings from that piece.

6563. They tell you you must take it back again, unless you deduct that amount?—No; they have the authority of deducting it themselves.

6564. If the pieces are still worse, they then reject them?—Yes.

6565. Do you furnish other goods instead of them?—In many instances the same pieces again, and they will pass.

6566. Do you pay the same fee upon them again?—No; there is no fee unless they pass, and sixpence for the repacking of those which are returned.

6567. Are there any instances of the Company defacing or marking goods that have been offered to them, in a way which shews they have been offered to them and rejected?—Every piece of goods which is dyed for the Company have what is called two roses marked at each end; the Company from their circular and the contract they make, have the liberty of cutting one of those marks off, which never can be put on again, which injures the piece very much.

6568. Do they often do that?—I had many hundreds lost last year.

6569. Have you found that always makes the piece very unsaleable, except at a great dimnution of price?—Certainly.

6570. Have you found that such goods have been purchased by the Americans?—Yes, and others.

6571. What proportion do you conceive such pieces bear to

1 July 1830. the whole number that are supplied to the Americans?—Not one-tenth part.

Mr. R. Shaw.

6572. Have you yourself been much in the habit of selling manufactured articles to the Americans?—I think from 1821 up to 1828 I did nine-tenths of all the private trade which went from England. It was in 1821 the private trade began to increase very much; and from that time up to 1828, I think I may say I did nine-tenths of all the private trade in that article for the American trade to China.

6573. Have you found them in general as attentive to the quality of the goods which they purchased as the East-India Company?—I never sent any in or completed an order without their being inspected by some overlooker in London.

6574. They purchase through English agents, do they not? —One or two of them; there are one or two American gentlemen give me orders, and they order the goods to be sent to their packers to be overlooked.

6575. Are there any other circumstances besides those you have mentioned, which lead you to think that the East-India Company purchased their goods at a much dearer rate than the private merchants?—No, I do not know any other circumstances than those I have stated; we are always obliged to guard against deductions, five or ten shillings a piece, which we are subject to, and for the returns for which we are obliged to make our prices to the Company higher than they otherwise would be.

6576. You stated that there had been a diminution in the demand of the East-India Company of late years; have you ever received from them any complaint as to the quality of goods which you have supplied, which could at all account for that diminution?—Never.

6577. The Company rejecting so many pieces, and the private merchants rejecting very few, do you apprehend that what remain to the Company would sell at a higher price than those purchased by the private merchant; that they are really better? —So trifling, that none but a good judge can know; for a camlet is an article which has been made such a number of years, and we have such specific directions how many threads to the inch, and how many shoots across, and so on; if one piece is not so good as another, it is by a journeyman not making it so well.

6578. What has been the reduction in the price of camlets during the last ten years?—I have had 140 shillings for the double camlets, and now we are making them at 78, and as low as 76.

6579. To what circumstances do you attribute the reduction of price?—The better methods of making the yarns. Twenty years ago we were obliged to use handspun yarns; now the mills

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will spin the yarns with greater facility, and much cheaper than they were then.

6580. Is that the sole cause of the reduction of price?—No; I believe wool is much cheaper.

6581. How far does the reduction in the price of wool enter into the reduction in the price of camlets?—It all depends on the difference of the price of wools; if it is threepence a pound, it makes a difference of five shillings on a piece of camlet; but every thing is cheaper; we formerly paid double the price for dyeing which we now do. The price of dyeing materials and the labour of dyeing is all down.

6582. Can you specify the portion of the reduction of price which is to be attributed to each of the several circumstances you have mentioned, and to any others you have not yet adverted to; can you say how much is to be attributed to the introduction of machinery, how much to the fall in the price of wool, how much to the fall in the price of dyeing materials, and so on?—I am not able to say that exactly.

6583. Can you make out such an account?—The dyeing, I think, makes a difference of ten shillings a piece less than it was ten years back, in some colours; not in blacks.

6584. How far does any diminution in the price of labour enter into the comparison?—The labour is now as high as it was; it has never been lessened at all for weaving.

6585. Do you look forward to any further diminution in the price of camlets?—I do not think it likely at the present moment; the price must be increased, for wool is getting up. Wool has risen within this last two or three months.

6586. How much?—I think about five per cent.

6587. Are they made upon long or short wool?—Long wool.

6588. Do you consider the quality of the camlet equal to that it was ten years ago?—Better.

6589. So that a better article is furnished at a much lower price?—Yes, at a little more than half the price.

6590. At what do you reckon the improvement in the intrinsic value of the article?—I think more than five per cent.; but where there is a quantity of pieces made, there will be five per cent. difference only in workmanship of different weavers.

6591. Do you use nothing but long wool in the manufacture?—Nothing but long wool; we cannot use short wool.

6592. Have not you found that the decreased price has led to an increased demand for goods?—I should think it has; in the case of bombasins and other articles it has been so. I cannot account for the increased demand for camlets otherwise; it may be from the difference in the price.

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6593. How do you reconcile the diminution of demand on the part of the East-India Company with the increased demand on the part of the Americans?—I am not able to answer that question; I suppose the Company find things that pay them better than camlets, or they would send more of them.

6594. Have you any opportunity of knowing whether the diminution of demand on the part of the East-India Company is owing to the manufacture of woollen articles on the continent for that market?—I am not able to say a word, except as to my own manufactures. I have no knowledge of any thing else.

6595. As your dealings with the Americans have been free from some of the inconveniences to which you have been subject in your contracts with the East-India Directors, do you upon the whole prefer them as purchasers to the East-India Company?—Certainly.

6596. Are there more camlet weavers now than you can find employment for in the city of Norwich?—Yes, many more; there are a great many out of employment at this present moment.

6597. Can you state at all what proportion those out of employment bear to those now in employment?—I should think that one-third of the camlet weavers are out of employment.

6598. And yet the wages of those in employment are the same as they were ten years ago, the price of provisions being so much cheaper?—Yes; the prices have not been lowered, and I should think that they cannot be much lowered; it is a very laborious employment.

6599. What is the average of their earnings?—I should take the average of their earnings to be from twelve to fourteen shillings a-week, from which there are some little expenses to pay.

6600. Were there a great number of them out of employment ten years ago?—Yes.

6601. Was there about the same proportion?—Yes, I believe so; the camlet has been chiefly made at Norwich this year; the Yorkshire manufacturers have got a part of the Company's order; they had a part of the order in 1826; they were not able to get through with it, and I completed the order for them.

6602. In what part of Yorkshire?—I think it is at Halifax, or near.

6603. In what year had the camlet weavers full employment?—In 1822. I was then obliged to teach a number of men; there were not camlet hands enought to complete the Company's orders, and the private orders I then had, which were very large.

6604. Has there always been a number of manufacturers out

of employment except at that time?—It is only a certain number of hands that can weave the camlet; there are many weavers in Norwich who cannot weave the camlet. They must be strong men; it is hard work.

6605. When they were in full employment in 1822, what were their wages?—They did not earn more money: such men as are at work can earn that I have stated, but there are a great many now who have no work.

6606. Have you any reason to suppose that a free trade to China and the East-Indies would increase the trade in camlets?—I cannot speak to that, except that the private trade has been increasing for some years, and that if the English gentlemen were enabled to go there, I think there would be more goods sent; I know some English gentlemen who would be willing to send, but who are now obliged to send to Sincapore.

6607. Have you sold many that you knew were going to Sincapore?—Yes, a great many thousands.

6608. Is that trade increasing?—I think it is; it has increased within the last year very much.

6609. Do you know whether any foreign merchants, Dutch or others, export British manufactures?—I believe they do. I have had one or two orders to go to Germany, which I understood were for the China market.

6610. Have you ever heard whether any Chinese merchants themselves have sent any orders to this country for goods?—I am not able altogether to speak to that point further than this, that a gentleman was in England some four months back, who gave me an order for two thousand pieces of camlets. It is for us to see how the goods are to be paid for; he proposed to give me a letter of credit on a respectable house in London from one of the Hong merchants, in part payment, and I understood from a gentleman who ordered them, that the camlets were for this Hong merchant; I took that in part payment, and took the acceptance of the gentleman who gave me the order at eighteen months, with a lien on the goods till the money was paid.

6611. Do you suppose that order from the Hong merchant to be the only one which has reached this country?—I never heard of one before, nor ever saw a letter of credit from a Hong merchant before.

6612. You satisfied yourself that that letter of credit was such as it was prudent to accept?—Yes, it would have been so here, but that the exchange was against it.

6613. Do you recollect the name of the Hong merchant?—I believe it was one of those that failed afterwards; but it was before his failure, and I had a lien on the goods.

6614. When was this order given you?—I think in February

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last, and I completed it on the 10th of April; the goods are gone.

6615. You consider the transaction as a perfectly safe one for yourself?—Certainly; I sent out the letter of credit through my agent in London.

6616. Were the camlets you were desired to make for the Hong merchant on his account, directed to be of the same quality and appearance as those made for the East-India Company?—My contract was exactly the same for quality, equal to the East-India Company's tendered patterns.

6617. Are the goods you manufacture for the private-trade of the same quality and marks as the East-India Company's goods?—Exactly so, imitated in every respect.

6618. Do the Company and private merchants pay ready money, or by bills at a certain date?—That depends on the agreement: if we make an agreement to take bills, and I have taken many on respectable houses in England, they add the interest on the bills. There are one or two houses I take a great deal of money from, who will not permit a bill to be drawn; if we cash it, we agree for the credit, and discount it at once.

6619. How do the Company pay?—We deliver the goods monthly to the Company, which are looked over in March, and paid for in May.

6620. Have you reason to suppose that any other Hong or Chinese merchants at Canton are likely to follow the example of the individual you have referred to?—I am not able to answer that question.

6621. Have you heard of any considerable manufactories of camlets on the Continent of Europe?—No; there is a manufactory at or near Dresden, I believe, but they are a different kind of manufacture; they are called camlets, but they are what we call mohair; they make about 7,000 pieces a year. The mohair is purchased in England, and sent to Holland to be manufactured there.

6622. Is there any manufactory in Saxony of camlet made of a finer species of wool than is manufactured at Norwich?—No; I have made the finest that ever were made, to be sent out as presents to the Hong merchants.

6623. Do you happen to know whether there is much interest felt at Norwich about opening the East-India and China trade?—I believe they would like to have it opened; I speak from the opinion of a good many of them.

6624. Has there been any petition to Parliament from the camlet weavers on the subject?—No.

6625. How do you account for that?—I am not able to say,

except that the masters have not taken it up, and that the journeymen dare not take it up without their masters set the example.

6626. Do you think it is in part owing to the masters being generally employed by the East-India Company?—Certainly.

6627. You think that, if they had not received orders for manufactured articles from the East-India Directors, they would have petitioned?—I am not able to say that; but if the masters had taken it up, there would have been the signatures of all the men.

6628. Do you know whether, within the last two years, those orders have been more distributed among all the manufacturers than they were formerly?—It depended on the tender; last year I had an order for 10,848 pieces out of 12,000 myself; this year it is distributed amongst them all.

6629. Had it been usual before to distribute it among them all?—In 1824 I had 10,800 of them, and since that it has been distributed among the different manufactures till last year, when I had the greatest part of them again.

6630. You have stated that there is a manufactory at Dresden of camlets; are they manufactured of wool from this country?—One half is of wool, I do not suppose from this country, and the other half of mohair.

6631. You stated that a part of the Saxon manufacture is of very fine wool; that is the wool of the growth of that country?—Yes.

6632. Have you used any New South Wales wool in your manufactures?—No, I never use foreign articles, except that sometimes we use the merinos in making very fine bombazins for Spain; it is chiefly Lincoln and Leicester for the camlets.

6633. Do you know any thing of the manufacture of shawls at Norwich?—Yes.

6634. Has there been any large number of them sent out to China?—Not a large quantity; I should think there have been some sent out for the last five or six years.

6635. Do you think the demand for them has increased of late years?—I think it has.

6636. That is, comparatively speaking, a new manufacture at Norwich, is it not?—No, fifteen years back I did a great deal in the shawl trade; it has been going to Glasgow; the Scotch have got it principally now, but there are some still making at Norwich.

6637. Are there any other woollen goods besides camlets for which there is an increasing demand at Norwich for the American trade?—Yes, there is a plaid made called the Scotch plaid; there is occasionally a very great demand for them in America.

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6638. Are there any other woollen goods manufactured at Norwich?—No, not of any consequence.

6639. Are crapes woollens?—Crapes are wool one way, and silk another.

6640. Have any new colours been introduced, or any new combination of colours, into the manufacture of camlets of late years?—No, I think not; there are no more colours now than there were. There have not been any rose pinks in the Company's orders of late.

6641. Do you ever adopt new colours or combinations of colours on speculation, or do you wait for an order?—We always wait for an order.

6642. You never receive any patterns of foreign camlets?—Never but once in my life; that was a colour they call the Esterhazy; they wished me to make two or three pieces as presents for the Hong merchants.

The witness is directed to withdraw.

Ordered, that this Committee be adjourned to Tuesday next, one o'clock.

Die Martis, 6° Julii 1830.

The Lord President in the Chair.

Captain RICHARD ALSAGER is called in, and examined as follows:

6 July 1830.

Capt. R. Alsager.

6643. What is your profession?—A sailor. I have been nine voyages as an officer in the Company's service, and five as a commander.

6644. You have been fourteen voyages in all?—Yes; and one as a midshipman also.

6645. Were those voyages all to China?—No, only nine; five as an officer, and four in command of the Waterloo, a Company's ship of 1325 tons.

6646. Did you rise to the command of a ship after nine voyages?—Yes, I did.

6647. What are the rules of promotion in the Company's merchant service?—One entire voyage to India before a person can be sworn in as fourth mate, two voyages before he can be third officer, and one as chief or second, in all four voyages; that is the most rapid rise which can take place in the Company's freighted service previous to obtaining a command.

6648. Is that what is called a seniority service?—No; the Company's own service is a seniority service; not the freighted.

6649. In that service you rose in nine voyages to the situation of commander?—I did. 6 July 1830.

Capt. R. Alsager.

6650. What is your remuneration as commander?—The allowance from the Company is £10 a month, and we are allowed 56 tons of privilege, and an indulgence on what is called the victualling bill; that is, room for stores for the commander's table. The commander victuals the chief and second officers, the surgeon and the purser.

6651. Do you mean 56 tons out and home?—Yes.

6652. That is merely an accommodation, not convertible into money?—It is considered by the Company as an indulgence, and supposed to remunerate the commander for the expense of victualling the four officers, which are ordered to be accommodated at his table.

6653. If you desired to sell your tonnage out and home, what could you have got for it?—Within these two voyages a very small sum; I can hardly say how much. I have merely heard of £30 a ton all round for the commander's privilege; but I never had any thing offered to myself, and I never knew of a commander's privilege being sold, except from hearsay.

6654. The inferior officers sell their privilege tonnage, do they not?—As a commander I have bought it, that they might pay more attention to the duties of the ship, and I have given them a sum that I did not expect to gain by, but that they should not be losers for not trading.

6655. What have you given?—I have given £40 a ton to India, China, and including the voyage home; but I have never made any thing by it myself.

6656. What outward investment have you carried to China?—I have had the good fortune to obtain double voyages the last four as a commander.

6657. By double, you mean a circuitous voyage?—Yes.

6658. What was your investment to India?—It was a variety of staple articles and manufactured piece goods, and such a variety I can hardly enumerate them.

6659. What was your investment from India to China?—Cotton chiefly.

6660. Have you ever gone direct to China?—No, I have not, as a commander.

6661. Was the cotton from India to China a profitable investment?—One voyage I lost money, and a second it was not very profitable; the last voyage it was profitable; the cotton bore a good price in the China market.

6662. What are your homeward investments?—Tea, raw silk, and nankeen.

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Capt. R. Alsager.

6663. In what proportions did you invest in those three articles?—Tea is a bulky article; we can invest only about £6,000 in the commander's privilege, if he fills it entirely with tea.

6664. You prefer the less bulky and more valuable article?—Yes; when our funds are large in China, we are obliged to have recourse to them to get our remittances home.

6665. Did you invest largely in silk?—About £7,000 the last voyage.

6666. How many tons did that occupy?—About seven tons.

6667. Was it a profitable investment?—I made a very good remittance; about 4*s.* 10*d.*

6668. In what year was that?—1826.

6669. You mean that the dollar was remitted at 4*s.* 10*d.*?—Yes; I reckoned it as 5*s.* in China, but 4*s.* 10*d.* was considered a good remittance.

6670. Was the investment in tea profitable?—After deducting the expenses and 25 per cent. upon the gross amount of sales, it gave a profit of about £1,500 on £6,500.

6671. Was that greater than the profit on the silk?—Yes, greater.

6672. Notwithstanding the taxation of the 25 per cent.?—Yes.

6673. In order to compare that profit with the profit which could be made by an individual, you would have to deduct the charges of freight both ways?—In reckoning the profit upon my tea, I made no charge for my own privilege tonnage, but only on that which I purchased from my officers, and which I considered a fair charge of merchandize.

6674. What was your profit on that portion of the investment which was in the tonnage of the officers which you purchased?—None at all; I did not look for a profit.

6675. Upon the whole speculation, what should you consider the profit?—Taking the voyage round, and paying all expences till I came clear home, about £5,000 is, I think, a very fair average voyage; sometimes more, sometimes less.

6676. What per-centage would that make on the capital invested?—My capital was very large; £50,000.

6677. In what manner do you calculate your profit made on the two transactions, that of the outward cargo and that of the homeward cargo; how do you compare your original purchase money in England with the produce of your investment when you arrive again in England?—We reckon the voyage round, from the first investment, till it returns home again, and is paid in as cash in England.

6678. You consider the whole as one transaction?—Yes;

because when we arrive in India we sell our investments, reckoning the rupee at 2*s.* 6*d.* (or eight to the pound sterling), and the dollar at 5*s.* (or four to the pound sterling;) they are not worth so much, but it simplifies the transaction; consequently we stand with a larger nominal capital in India and China than we really possess; therefore the net profit can only be ascertained when the capital is realized at the end of the voyage in England.

6679. With whom did you transact business at Canton?—With Howqua, the first of the security merchants. He is a man of large property, and I have always been anxious to deal with him. The commander whom I sailed under dealt with him, and Howqua considered me as an old friend; he has always taken my investment, so that I have had no trouble.

6680. Have any other captains experienced any trouble?—I have heard that several of them, to obtain a higher profit, sold to the outside merchants; and they have had bad teas in their investments to England, and also found difficulty in getting their money for the goods they sold.

6681. Did you ever export to China British manufactures?—In going circuitously I endeavoured to sell them in India as the first market.

6682. Did you ever purchase any at Sincapore, and take them on?—Never.

6683. Was it the habit of any captain to do so?—Not those I have known.

6684. Were you enabled, during your residence at Canton, to ascertain whether the sale of British manufactures there by individual merchants was productive of profit?—The market lately, I think, has been a great deal glutted; and although English goods have fallen in England, they have not produced an equivalent profit in China, but have fallen in proportion in China to what they have done in England.

6685. Have they fallen in the same proportion?—I should think rather more; we are in China a very short period, and have no sooner delivered our outward cargo than we are under the Company's orders to take in our homeward cargo; and we have not the power which those in the free trade have of staying as long as suits them; we seldom stay in port more than four, five, or six weeks.

6686. Did you ever take bills on the Company in England?—Latterly the Company's treasury was opened so very low, that I preferred taking home an investment of goods to bills drawn at the rate of 4*s.* 3*d.* and 4*s.* 4*d.* a dollar, and lately 4*s.*

6687. What quality of tea have you generally brought home

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in your investment on your own account?—That depends entirely on the fancy of the individual; my purser, who is a man of business, had a great fancy for pekoe tea, which is a scented black tea; four-fifths of pekoe and one-fifth of hyson or gunpowder is what I have generally brought home.

6688. Has it been generally a better or an inferior quality as compared with the Company's teas?—The staple teas of the Company's are certainly better; but those I purchased are fancy teas, which the Company would not meddle with; they are beneath their notice; they are in small quantities in the market.

6689. It was your interest, having but a limited amount of tonnage, to purchase those teas which were of higher value?—I purchased those that I thought would give me the best profit.

6690. Have you found, in the course of your experience, any change in the taste of the public here as to teas, which has induced you to make any change in your investment?—In the four voyages I have been a commander I have generally dealt in the fine green and scented black teas; others have fallen into my steps during the last voyage, and the price of those teas rose very much in Canton; it is merely a speculation.

6691. You say that that part of the investment which consisted of English manufactures you disposed of in the ports of India in preference to China?—I thought I could make a better sale in India, compared with China; and besides which, there was another opportunity of turning the capital between India and China.

6692. Have you ever carried any English manufactures to China?—A very small quantity.

6693. When you did so, did you find it easy to dispose of them?—They were some I could not get rid of in Bengal, or in the short time I stopped at Sincapore; so I took them as a forlorn hope to China.

6694. What did they consist of?—It was a few bales of coloured handkerchiefs.

6695. Did you dispose of them to a profit in China?—No, reckoning the dollar at 4s. there was no profit; I did not get prime cost.

6696. Did you ever take any woollens?—No.

6697. In respect to that you disposed of in India, was it a description of articles for the use of the Europeans, or of the natives?—The piece goods were chiefly for the native consumption; it was manufactured cottons.

6698. The rest of the investment consisted of articles for the Europeans?—Yes; in a variety of cloths, and a variety of shop articles.

6699. Do you know of any other officers of your ship, or

commanders who have taken out any woollen goods to China? —I have heard of several; but we keep our own transactions a good deal to ourselves; I think there is not much open communication between us as to what we are doing. I am aware that they have done it, but I cannot say what profit they have made by it.

6700. The ship in which you sailed, the Waterloo, was of 1300 tons?—Yes, it was.

6701. What was the rate of freight of your ship?—She is one of the Company's own ships; they put a nominal freight upon her; I believe the average of the season in which she was built; I have but little knowledge of the freight and charges; my duty is to sail the ship as economically as I can, and obey the Company's orders.

6702. Are the Company's own ships equipped in the same way as those they hire?—Yes.

6703. Is that equipment more complete than that of a man-of-war, going on so long a voyage?—I should think not. The ships are well found, but not more amply than necessary. I have only had the command of a ship since the peace, and I have been fortunate enough to make very good passages, and there has been a surplus of provisions left at the end of it; but considering the length of the voyage, and the uncertainty of wind and weather, there were no more than were requsite for the voyage.

6704. What is the number of the men?—One hundred and thirty-five men; that is, one hundred and thirty, and five to cover casualties; and five marine boys.

6705. What is the number of guns?—Twenty-six guns.

6706. Of what calibre were they?—Twenty eighteen-pounders; not long eighteens; they are about six feet six inches long; what we call the middle class gun—the ship gun; and six thirty-two pound carronades.

6707. With that number of men, could you have fought both sides of that ship in action?—I am afraid not.

6708. Could you have fought one side if it had been blowing fresh?—I hope we could.

6709. To what sized privateer or man-of-war should you have considered yourself equal in point of strength?—I should hope we should have been able to compete with a privateer of equal number of guns, being higher up in the water than they are.

6710. In a heavy sea?—Yes, I should think so.

6711. Would not a privateer have had guns of much smaller calibre if she had twenty-six guns?—I think several of the French privateers in the late war had one or two long guns, and they had an advantage over our ships on that account.

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6712. Do you know of any privateer of twenty-six guns carrying eighteen-pounders?—I think the Blonde was probably twenty-six, or she might carry thirty; she had eighteen-pounders. I think they would prefer a long gun or two, that they might disable a ship at a long distance, without coming to close action.

6713. If any privateer with which you have been engaged had had guns of a very much smaller calibre than you had, would not you have a very great advantage over her from your height in the water?—Yes, if she came within reach of us.

6714. What are the duties paid upon a ship of 1,300 tons at Canton?—Rather more than 4,000 ounces of silver; about £1 a ton, I think it is, in round numbers.

6715. What proportion of that sum of 4,000 ounces of silver is paid for the ship, without reference to her size?—Nineteen hundred and fifty tales; that is what is called cumshaw, which is given generally for all ships, without any allusion to her size.

6716. That is the same on all ships?—I believe it is the same on all ships.

6717. With that exception, the duty is according to the measurement?—Yes; it is a peculiar mode of measurement.

6718. As regards that mode of measurement, do you apprehend that the portion of duty which is paid upon the size of the ship is greater in proportion upon a smaller ship than it is upon a larger one?—The returns shew that it is; on a ship of 1300 tons it amounts to £1 a ton, on a 500 ton ship about £2 a ton, the entire port charges.

6719. The question refers to that portion of the port charges which depends upon the measurement of the ship?—I suppose it would come to double.

6720. That would be in proportion to the size of the respective vessels?—It is partly in proportion to the number of tons, for there is a greater space unmeasured in a large than a small.

6721. Is that proportion unmeasured in proportion to the size of the ship?—The distance from our fore-mast to the bows, which is unmeasured, and from the mizen-mast to the taffrail, is double what it is in a small ship; then the depth of the hold is seventeen feet instead of twelve, that is not measured; which makes the charges on a small ship double.

6722. If the one is 500 tons, and the other 1000 tons, they would be the same per ton?—The Company's ships of 1300 tons bring home on an average, including private trade, 1,500 tons of tea; average charge for measurement in China, 2,300 tales; cumshaw, 1,950 tales; total charge, 4,250 tales; not

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quite £1 per ton (3 tales). The Surrey of 443 tons:—charge for measurement 1,253 tales; cumshaw, 1,950 tales; total, 3,203 tales; about 7¼ tales or £2. 10*s*. per ton. The Earl Spencer of 521 tons:—charge for measurement, 1,511 tales, and 1,950 tales cumshaw, making 3,461 tales, (6⅔ tales) £2. 4*s*. per ton.

6723. In making that calculation you include the cumshaw? —Yes: every thing.

6724. What is the difference in freight between a ship of 500 tons, and a ship of 1200 tons?—There are three ships which have performed their six voyages, with nearly a full equipment, at £18. 19*s*. per ton.

6725. What would be the freight of a ship of 500 tons?—The last tender for four ships was £13. 18*s*.

6726. Was that tender for the circuitous or the direct voyage? —The direct voyage.

6727. The difference, therefore, is £5 between a ship of 500 tons and that of 1200 tons?—Yes.

6728. Deduct the £1 for the difference of duties, and the difference would still be £4 between the large and the small ship?—Yes.

6729. As an Indian merchant, should you prefer sending your goods to China by a small or a large ship?—I am afraid, in a pecuniary point of view, I must yield in favour of the small; but there are advantages in favour of the large ship which I think may counterbalance whatever difference there may be in a pecuniary point of view; they are more roomy, healthy, and are good sea boats, easily manageable, and imposing in their appearance: they carry a surgeon and a surgeon's assistant: the Company's instructions, and the mode of victualling, all shew an attention to the comforts of the seamen that a small ship does not possess, and worthy a great commercial nation.

6730. All those circumstances would induce a person to go to China in a large ship rather than a small one; but would that induce a merchant to send his goods in a large ship rather than a small one?—I am afraid that the merchants now are obliged to cut very close, and certainly the small ship is the lowest in expense.

6731. Are the large China ships frigate-built, or are they built for the purpose of carrying tea?—They are built with a poop, but in the model of the ship it is intended to carry a very large cargo.

6732. In point of sailing, would they compete with a vessel built for war?—The Waterloo is a very fast sailing ship. I have been in company with vessels of war, and we made a very

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good figure; we like a good strong breeze. I came home in twenty-one days from the line, and we averaged 200 miles, and I have run 260 miles by observation; it is not a bad sailing ship which can do that.

6733. Are the large China ships under-masted in consequence of the small number of men on board?—We are fully masted.

6734. Are your masts as large as they would be if the vessel was wanted for war?—I think as large as the vessel would bear; as large as she ought to have.

6735. Do you apprehend there are great advantages in the shipment of tea in a large vessel over a small one?—The tea is taken in with quickness, and stowed at once without being moved. After forming the level of the hold, which is called the ground tier, it is then all simple, and will take near fifteen hundred chests in one level; it is very quickly done, for it is only placing them and screwing them close. The upper part of the hold requires more time; two chops one day, and one chop another, are what is considered fair work, doing justice to the ship, and taking as much as we can; we could take more, perhaps, but with the risk of losing stowage.

6736. Can you embark your cargo in a large ship quicker than a small one?—I think we could.

6737. Could you fill a vessel of 1,200 tons as quickly as one of 500?—No, I think not in the same time; but I think we can do it in a less time proportionably.

6738. Sooner than two ships of 500 tons? – Yes.

6739. You could load a 1200 ton ship in the same time as a 500 ton ship nearly?—I have no doubt of that.

6740. What time does it take to load your ship?—We could do it in a fortnight; the forming the level takes the greatest time; after that is complete, the chests of tea being of the same size, they are soon placed.

6741. If you were to bring home tea from China as a merchant, should you prefer bringing it in a large to bringing in a small one?—Yes, certainly, at nearly the same freight.

6742. You think that the tea would come home in a better state?—I think probably it would; I should prefer it myself but tea is a cargo which does not damage much.

6743. You have stated that the Company take a duty of 25 per cent. on the sale price of teas sold at their sales; what duty do they take on the sale price of silks and other Chinese articles? —It is a very small per centage on silks; I am not exactly aware what it is; the net amount of sale is given to us at the India House after those charges are deducted.

6744. Not more, probably, than to cover the expences of

the warehousing and sale?—No, I think not; and the expense of repacking, and so on. 6 July 1830.

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6745. Are you aware that a considerable quantity of the privilege tea has been refused by the buyers at the recent sales at the India House?—That is the tea, I suppose, which has been bought from the outside merchants, men of not very good capital; needy men, who have given a higher price for the outward investment; some of them require much caution as to what you take in return, or they will sell you a bad article.

6746. Then you conceive that to be rejected on account of its being of bad quality?—Yes; or not tea at all, some of it, I believe.

6747. Are you aware that the quantity rejected has increased very much of late years?—No, I was not aware of that; I have never had any rejected.

6748. What do you consider it to be if it was not tea?—Sloe leaves and other leaves; not leaves of the tea. I understood some of it was so bad it was not permitted to be sold.

6749. It appears that, in the year 1823-4, 8,347 lbs. only of private-trade tea were refused by the buyers; that the following year 184,640 lbs. of tea were refused by the buyers of the private-trade tea; your inference is, that that must have been in consequence of the inferior quality of the tea?—I have no doubt of that.

6750. Are you acquainted with the manner in which the Americans conduct their trade at Canton?—We see them at Canton, but we have not any great intercourse with them.

6751. Do you know whether they purchase of the outside merchants?—I believe they purchase indiscriminately.

6752. What is the general class and size of their vessels?—They are very handy vessels, from 400 to 500 tons.

6753. What number of men would a ship of 500 tons require?—About six men to the hundred.

6754. Are the American ships built with reference to the cargo?—They are generally built handier than the English; their mode of measuring in America, I believe, is different. Depth is not reckoned in an English ship; consequently our ships are built deeper. I think they take length, breadth, and depth. In England it is length, breadth, and half the breadth.

6755. Are they more or less convenient for loading a cargo than ours?—They are quite as convenient, and they are a very fine class of ships.

6756. In what part of the ship do they take the depth?—I suppose the extreme depth. I do not know whether they take it to the bottom of the keel or to the floor timber; we take it to

6 July 1830. — *Capt. R. Alsager.* the floor timber in our builder's measurement, but it is not entered into the registered tonnage.

6757. Had you any opportunity of ascertaining the comparative rate of sailing between our vessels and the Americans?—I have been in company with them, and have beat them; but I think in light winds their vessels would sail better than mine would do.

6758. You have spoken of some bad tea being included in the investment of some of the private-trade; is there much of that adulterated tea in the markets of Canton?—I have had so little intercourse with the outside merchants, dealing always with Howqua, that I cannot say; I have heard of a great deal of deteriorated tea, but it has not come under my own observation.

6759. Are the ships engaged in the country trade of India fine ships?—Some of them are very fine ships, and have been turned over to the East-India Company afterwards; some of them taken into his Majesty's service as frigates.

6760. Of what size are the largest?—Twelve hundred tons.

6761. Are they built at Bombay?—Yes; the Scaleby Castle was built at Bombay.

6762. Do you know at what rate per ton they build at Bombay?—No.

6763. Are they as well built as English ships?—I think they have the advantage of crooked timber; I should say they are stronger built.

6764. They are not inferior in any respect?—No; the finest merchant ship in the world is the Earl of Balcarras, in the Company's service, built at Bombay, of fourteen hundred tons.

6765. Was she built of teak?—Yes.

6766. Have you had occasion to observe the manner in which those large ships are managed by native sailors?—In warm weather there is no sailor more active than the Clashee (the native sailor of India); they are not good helmsmen, and they are not fit for cold weather; but for the purpose of navigation in warm climates, they are as smart and active as any people; they have not the stamina of a British sailor, and they require more of them, for their strength is not equal.

6767. Could they rig as well as the British?—Yes; I have tried them, I have had main-top men of one sort, and fore-top men of another, and they have taken in the sail quicker and set it quicker; they are more active and light, and run out on the yard lighter; a British sailor carries more weight with him; one British sailor would be equal to two, as far as weight goes.

6768. How many men should there be on board a country ship of 1400 tons?—The ship's company of a country ship is not

encumbered with such a string of officers as we have in our Company's ships. There would be three or four officers in one of the large ships, and one commander; all the rest would be effective men; but there should be, I think, about 180 men; that would be equal to nearly double our ship's company in number, but not in effective strength. In the war time, when the navy used to press our men, and we were obliged to take native seamen to make up our complement, we reckoned two natives to one European.

6769. Upon the whole, should you consider that a native country ship sails at a cheaper rate than a British ship?—I should think they would while they remained in India, but not when they come to England; the lascars are not equal to encountering the cold; they require warm clothing and better fare; but in India they live on rice and a little fish.

6770. Are the sails all made in India?—There is an extensive canvass manufactory in Bengal; but I have seen some made of European canvass.

6771. Does that canvass bear a hard gale?—It does; but it must be taken great care of, or it will rot.

6772. What are the comparative qualities of the English and the Indian rope?—English rope is better for all services, and Indian rope for some services. Indian rope is very good for tackle-falls, and where it runs through blocks; it is a light rope. The English rope is clogged with tar, and that oozes out in hot weather; then there is the Manilla rope, which is very good if it is kept out of the rain.

6773. Are the cables of Indian rope?—Yes.

6774. Do they keep perfectly well?—Yes, but it requires great caution; they must be kept dry; they must be often hauled up and exposed to the sun; they require sprinkling with salt, and a variety of precautions which they are used to in country ships.

6775. That care being taken, is their canvass and is their rope so good as our own?—I think not quite.

6776. If you were fitting out a ship at Bombay for a voyage to China, should you purchase English or native stores?—For the running rigging, perhaps, from being cheaper, I might have recourse to country materials, because it would answer my purpose for standing rigging, if I could be certain of its being quite new; but that sent out to India, if left in store, is apt to get rotten before it comes into use.

6777. Would you purchase Indian canvass for your sails?—No; I think the English would make up in durability any difference there might be in price.

6778. The English rope is the strongest?—Yes, certainly.

6779. Did it appear to you that a material improvement

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6780. Are they made of Indian hemp?—Yes.

6781. Are iron cables much used?—I had an iron cable in the Waterloo the four voyages, and scarcely ever let go an hempen one; I always preferred the iron one.

6782. You are obliged to have a certain portion of Europeans on board?—We must have three-fifths of European British subjects on board.

6783. Do you imagine it would be essential for the safety of the ship in the time of peace, that she should be armed in the manner you have stated?—It is a long voyage to look forward to, and we can scarcely know what changes may take place; the Company, in their wisdom, have said that the ship shall be effective for whatever may take place; and the ship could be made equal to warlike purposes immediately, if necessary.

6784. Putting aside any purposes of war as connected with national disputes, is it necessary for her safety against pirates, and so forth, that a ship should be armed in the way in which she is?—I think, when we consider the value of her cargo, and the Company being their own underwriters, that their equipment is not greater than might be required to cope with the pirates we have heard of as cruizing in various directions.

6785. Are there any other particulars in the equipment of those ships which, in your opinion, might be altered so as to produce more economical sailing?—I can scarcely say; with their present equipment they are more than well found; we have been reducing the stores by degrees, and at present there is no more than they ought to have. The great objection has been with respect to two new cables every voyage; but when a cable has been two years on the former voyage, it is not unpleasant to have a new one to stand by in case of a gale of wind.

6786. Do you know any instances in which the small vessels employed by the Americans have suffered by not having the same warlike equipment?—I have merely heard of instances; I go merely by public reports; there are several of them have been attacked by privateers and plundered lately.

6787. Are they not armed?—They have had two or four small guns.

6788. You do know of instances in which they have been attacked by privateers and plundered?—Individually I do not; I go by hearsay. The Saint Helena schooner was attacked, and her crew murdered, except some of her men which stowed themselves away, and who have reported it.

6789. Are there not dangers of that sort in the Indian Archipelago?—Not of pirate ships; they are chiefly boats. I think there is no danger to be apprehended from them unless by surprise, or being obliged to have recourse to boats. Where the Alceste was lost there was a Portuguese ship; we sent boats to see what she was, and the pirates attacked us in the boats, but they did not attempt to attack the ship; they beat us off the ground once, but on our coming back with a reinforcement they run away.

6790. Is it your opinion that those ships might be navigated with a smaller number of officers than they are at present?—I think they might; we have eight midshipmen; I do not think they are necessary; but it is a nursery for young officers.

6791. How many officers have you altogether?—A commander and six officers, that is, six mates; and eight midshipmen, a surgeon, a surgeons's assistant, and a purser. I think there are almost forty on the list before we come to the fore-mast men; that is, reckoning caulker, caulker's mates, sail-maker, cooper, baker, butcher, and poulterer, &c.

6792. Do you know how far down in the list you would go in a man-of-war with a complement of 130 men, before you come to the fore-mast men?—I think about the same.

6793. How do you divide your watches?—The officers are divided into three watches when we get out of the channel.

6794. Do you know of any country trade ships having visited any ports north of Canton?—I have heard of their trying it with opium; the first that tried it answered, I understand.

6795. Supposing you had no warlike equipment on board those vessels, how many men would be necessary to navigate?—I think, with the exception of some of her officers, she requires her whole crew; the masts and yards are large, and she requires a large number of men to navigate her.

6796. In time of peace, do you conceive that the danger of attack from pirates is considerable in any ship trading to China?—I think not great. We have lately found the South American ports sending out ships well armed; and our instructions from the Company are to keep our guns clear, and to exercise twice a week.

6797. Have you ever fallen in with any who could have taken your ship but for those warlike preparations?—I think some of them have ten, fifteen, and some of them twenty guns, with a number of men on board, and desperadoes the whole of them, I believe.

6798. In time of war, should you conceive that the ships you have commanded would be able to escape from or contend with any man-of-war mounting twenty guns, well managed and well

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fought?—A man-of-war's equipment will be always superior to that of a merchant ship; but I should hope, with proper attention to training the ship's company, we should be able to defend ourselves against nearly an equal force.

6799. Putting out of the question that warlike equipment, you are not of opinion that any saving could be made in the equipment of your vessels beyond some reduction in the number of your officers?—I think not; I am not aware of any.

The witness is directed to withdraw.

Ordered, That this Committee be adjourned to this day se'nnight, two o'clock.

LONDON:
PRINTED BY J. L. COX, GREAT QUEEN STREET,
Lincoln's-Inn Fields.